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A Home of Your Own



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Increasing Homeownership Among People with Disabilities in Massachusetts

GOVERNMENT DOCUMENTS
COLLECTION

JUL 16 2003

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A guide to funding,

educational and other

resources with profiles of

successful home owners.

CHAPA: Who We Are

Citizens' Housing and Planning Association (CHAPA) is the leading statewide housing advocacy and research organization in Massachusetts. Established in 1967, CHAPA is the only statewide group representing all interests in the housing field, including non-profit and for-profit developers, advocates, homeowners, tenants, lenders, property managers, government officials, and others.

CHAPA's mission is to encourage the production and preservation of housing which is affordable to low-income families and individuals. CHAPA pursues its goals through advocacy with local, state, and federal officials; research on affordable housing issues; community education and training; coalition and consensus building among broad interests in the field; and the coordination of homeownership programs to stabilize communities and link first-time homebuyers with resources.

Through its strong membership base of more than 1,500 members, growing management capacity, and strategic research and advocacy, CHAPA has been able to have a positive impact on the lives of thousands of low- and moderate-income residents.



Citizens' Housing and Planning Association

18 Tremont Street

Suite 401

Boston, MA 02108

TEL/TTY: 617-742-0820

Toll Free: 1-800-466-3111

Fax: 617-742-3953

www.chapa.org

Acknowledgements and Credits

PROJECT DIRECTOR AND EDITOR

Janna Peckham

Citizens' Housing and Planning Association (CHAPA)

EIDTORS

Janna Peckham

Citizens' Housing and Planning Association (CHAPA)

Elizabeth Fancher

Massachusetts Developmental Disabilities Council

Aaron Gornstein

Citizens' Housing and Planning Association (CHAPA)

RESEARCH

Andrea Shapiro

Consultant

PROJECT FUNDING

Massachusetts Developmental Disabilities Council

DESIGN/LAYOUT

Samantha Seguin

Stone Graphics, Inc.

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why homeownership

Over the past several years, there has been a major movement toward providing affordable housing for people with disabilities in community settings rather than larger, state-run institutions. These efforts have led to the development of thousands of units of housing in Massachusetts, primarily in group homes, Single Person Occupancy units, and subsidized apartment buildings. While the quality of life for many people with disabilities has improved greatly, there is a growing need to provide homeownership opportunities for low-income people with disabilities.

Rental housing is extremely important and may be the most realistic housing option for some people with disabilities, however, homeownership provides permanency of tenure, greater independence and control, and the ability to accumulate equity. For many years the American Dream of homeownership, and its benefits, were inaccessible to people with disabilities. Historically this has been due to the lack of affordable and appropriate properties for low-income families to purchase, combined with the limited ability of lower-income people to save for down payment, closing costs, and reserves.

In 1995, in response to requests from several members of Citizens' Housing and Planning Association (CHAPA), a coalition of organizations from the housing, disability, finance, and service provider communities formed the Massachusetts Home of Your

Own Alliance to increase self-determination in housing for people with disabilities. From the Alliance, the Massachusetts Home of Your Own Program, a statewide, cross-disability initiative to increase homeownership options for people with disabilities, including people with mental retardation, mental illness, AIDS, head injuries, spinal cord injuries, and other disabilities, was created. This initiative assists people with disabilities to access homeownership education and counseling; financial assistance for down payment and closing costs; flexible mortgage financing; links to other resources, such as home modifications; and aid throughout the homebuying and homeownership process as necessary.

To date, 47 individuals with disabilities and their families have achieved homeownership with direct assistance from the Massachusetts Home of Your Own Pro-

gram. The program has also provided information, education and technical assistance to achieve the goal of increasing homeownership among people with disabilities to over 3,000 people including lenders, homeownership education providers, service providers, people with disabilities and their families, advocates, and others.

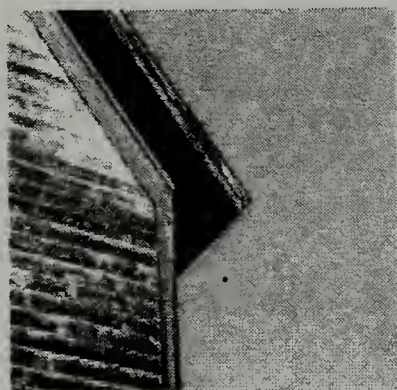
HOW TO USE THIS GUIDE

There are many different programs to help first-time homebuyers by reducing the cost of acquiring a home or making it easier to qualify for financing. This resource guide describes programs that lower-income households and people with disabilities might find useful in purchasing a home. It includes resources such as grants for down payment and closing costs, financing to buy a home, loans to rehabilitate or repair a home, and loans and grants to finance home modifications. Some of these programs provide low interest loans, while others provide grants.

Most of these programs have eligibility requirements (for example, some programs are limited to households whose incomes are below a certain amount or, if funded by a city or town, may only be used for homes within certain neighborhoods. There may also be maximum purchase price limits). Since every program has its own eligibility rules and these sometimes change over time, it is important to check with program administrators directly about eligibility for any of the described programs.

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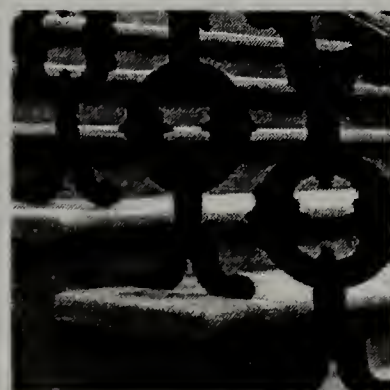
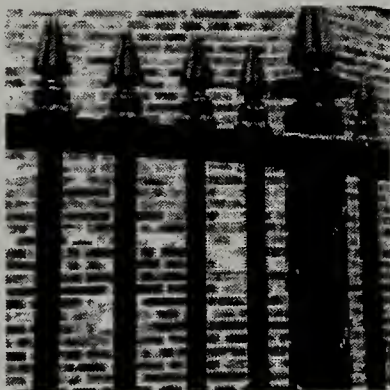
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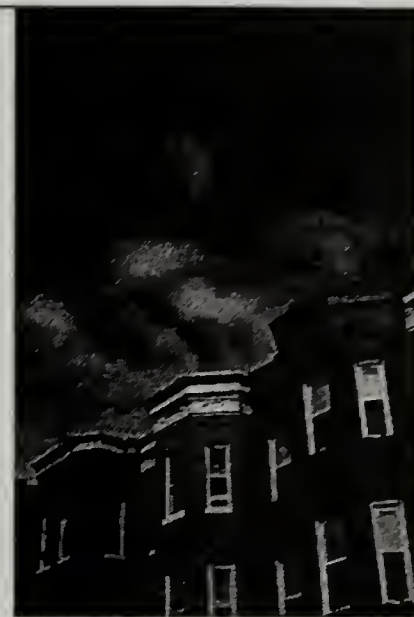
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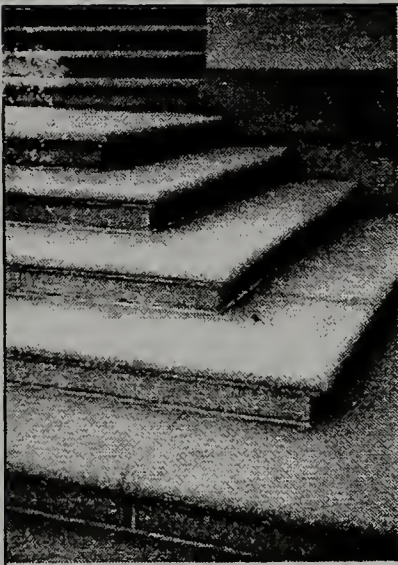
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steps to homeownership



- ① Talk to people who you think would want to help you become a successful homeowner both during the process of finding and purchasing a home, and after. Talk to friends, family, community members, service providers, and others. Ask how they can work with you toward this goal. Develop a support team of people who will be there for you throughout the process of buying and owning a home if you find that you need assistance.
- ② Use this guide to identify educational and financial resources that may help you to achieve and maintain homeownership.

- ③ Enroll in and attend a homebuyer education workshop series (or homebuyer counseling class) if you have not already completed one. A list of community-based organizations that offer these classes is included in *Appendix 1* of this resource guide. You might be able to receive individual homeownership counseling (after you attend the workshop series) to establish a personal budget and figure out what you can afford and are willing to spend on a home.

If you are planning to bring someone to the workshop with you (for example, a friend, relative, service provider or personal care attendant) be sure to tell the counseling agency when you register for the workshop. Also, if you need any accommodations in order to participate in the workshops, be sure to tell the counseling agency when you call.

- ④ Work with the homebuyer counselor to evaluate your financial situation:

CREDIT

- Do you have credit? Is your credit good? Can you develop credit? Massachusetts residents can receive one free credit report per year from each of the three credit reporting agencies:

Equifax

TEL: 1-800-685-1111

WEB: www.equifax.com

Trans Union

TEL: 1-800-888-4213

WEB: www.transunion.com

Experian

TEL: 1-888-397-3742

WEB: www.experian.com

- Establish an account at a local store or through a cash reserve credit card, if you do not already have credit.
- Put one or more utility bills in your name, if you live at home or in an apartment.
- Pay all your bills on time.

INCOME

How much can you expect to earn through employment or receive in state or federal benefits in the future?

SAVINGS

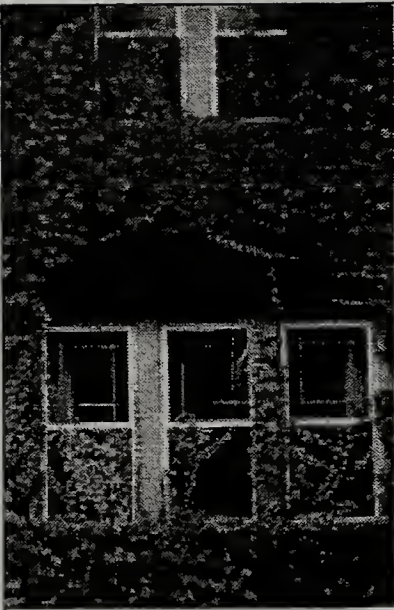
Open a bank account. Begin to make regular deposits, even if they are very small.

DOWN PAYMENT

Think seriously about how much money you will have for a down payment. The greater your down payment, the less your monthly mortgage payments will be. Religious congregations, civic organizations, municipal homeownership or disability offices, local chambers or commerce, and employers are some of the organizations that may be able to assist you.

5. Think seriously about where, how, and with whom you wish to live. For example:
 - Do you want a roommate?
 - Do you want to rent first and think about owning a house later?
 - Do you want to stay near where you live now or move?
 - Do you like the country, city, or suburbs?
 - Will you want or need a personal care attendant (PCA) to live with you sometimes? All the time?
 - Do you want to live in a condominium development with other households, or in a single-family house?
 - How will moving affect your medical, service and social needs?
6. Work with your friends, family, and service providers to develop a plan to receive support in your new home, if needed.
7. Begin working with a real estate broker to find a home.
8. Work with the homebuyer counselor to prepare to apply for a mortgage and down payment/closing cost assistance or home modification programs.
9. Find a home you want to purchase.
10. Make an offer, negotiate a price.
11. Hire an attorney to help you execute a contract of sale. Sign the contract (a purchase and sale agreement).
12. Submit your mortgage application and supporting materials to a lender. Get a mortgage.
13. Have the home inspected by a home inspector and, if necessary, a lead inspector. The lender's appraiser will also inspect the property.
14. Get homeowners' insurance.
15. Finalize your plan to receive support, if necessary.
16. Prepare for closing by checking to be sure that you have your down payment/closing cost money, insurance, taxes, mortgage fees, attorney fees, reserves, and any other necessary funds in place. At the closing you will sign all of the papers that make you the owner of your new home.
17. Move into your new home.
18. Pay the mortgage every month and make repairs as needed. Keep in touch with the homebuyer counselor as questions arise.

homeownership education and counseling programs



HOUSEHOLD COMPOSITION

Norman, Elizabeth, and Ariel (child)

AGE

Norman, 43

Elizabeth, 36

Ariel, 18 months

PREVIOUS LIVING SITUATION

Renting subsidized apartment

APPROXIMATE MONTHLY INCOME

\$1,900

PRIMARY INCOME SOURCE

SSDI (Norman)

SSI & SSA (Elizabeth)

YEAR PURCHASED

2001

PROPERTY TYPE

New Construction Single Family Saltbox

LOCATION

Orange, MA

PURCHASE PRICE

\$131,019

MORTGAGE AMOUNT

\$79,850

OTHER FUNDS

- \$7,500 CHAPA/Federal Home Loan Bank of Boston Affordable Housing Program Funds

- \$45,000 DHCD HOME Funds through Rural Development, Inc.

PROFILE IN HOMEOWNERSHIP: NORMAN AND ELIZABETH

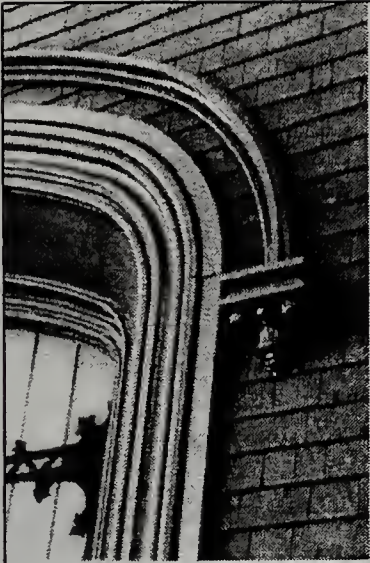
Norman and Elizabeth learned about the Home of Your Own Program from a Fannie Mae commercial on TV about Fannie Mae's opportunities for first-time homebuyers and called to get more information. Elizabeth asked about programs for people with disabilities and was told to call CHAPA for more information about the Home of Your Own Program. From CHAPA, Elizabeth also got a list of homebuyer education workshops and began taking classes at Rural Development, Inc. (RDI) in Turners Falls, MA. Norman and Elizabeth had assistance from homebuyer counselors Jenna Day, Anne Perkins and Cynthia Bliel.

Both Norman and Elizabeth thought the classes were very helpful. At first, they thought they might have a difficult time with the homebuying process, because their income was low, but everyone at RDI was very helpful. At RDI they learned about other programs that could help them, in addition to the Home of Your Own Program. One of the programs that RDI offers is a program for new construction. Elizabeth and Norman began working with RDI and received a loan from RDI's HOME program, in addition to their primary mortgage from USDA, and purchased a corner lot in Orange to construct a new single-family saltbox. Elizabeth said she has always wanted a house on a corner and it's right near a park where Ariel can play. They moved into their new home in June 2002.

Elizabeth's advice to potential homebuyers is to not give up. Elizabeth and Norman were turned down by other lenders because they were told their income was too low, but still, they kept working at it. Elizabeth says, "Keep looking, there are always other programs out there that might work better for you".

Overall, Elizabeth and Norman feel that their road to homeownership has been a positive one and would encourage others to pursue their goals. "It's a wonderful thing to own your own place".

chapter 2: homeownership & counseling programs



PRE-PURCHASE HOMEOWNERSHIP EDUCATION

Many non-profit, community-based organizations and local public agencies offer free or low-cost pre-purchase homeownership education and counseling programs to help people learn about how to become homeowners. Many lenders offer homebuyer education workshops as well. Some lenders and mortgage purchasers (e.g. MassHousing, Fannie Mae, Freddie Mac) require buyers to complete an approved homebuyer counseling program if they want to use first-time homebuyer mortgages and other programs geared to low- and moderate-income buyers.

The Massachusetts Homeownership Collaborative is an initiative managed by Citizens' Housing and Planning Association (CHAPA) that supports and promotes homebuyer education. Through the Massachusetts Homeownership Collaborative, CHAPA provides technical assistance and training to non-profit, homebuyer counseling agencies. These agencies offer homebuyer education workshops and individual homebuyer counseling to prospective homebuyers. The classes or workshops can include information on the pre-purchase process (learning how to prepare for and purchase a home), post-purchase issues (help after owning a home), and foreclosure prevention among other important and helpful topics. The Massachusetts Homeownership Collaborative has set best practices and minimum standards for homebuyer counseling agencies and has implemented a Collaborative "Seal of Approval." Fifty-two homebuyer counseling agencies in Massachusetts have received a "Seal of Approval" from the Massachusetts Homeownership Collaborative.

Pre-purchase classes are generally offered in four or five weekly sessions and cover the following issues:

- mortgages and the application process
- lender requirements
- down payments
- credit history
- home inspections
- appraisals
- working with brokers
- making an offer
- property maintenance
- tax planning
- loan delinquency rights and responsibilities

Many also provide information on conventional and affordable financing options and special situations (e.g. purchasing a condominium or two- to four-family property, landlord-tenant relations, self-employed borrowers).

CONTACT INFORMATION

The Massachusetts Homeownership Collaborative maintains a directory of certified homebuyer counseling agencies that have a "Seal of Approval" (see *Appendix 1*). This information is available on CHAPA's web page along with a schedule of upcoming workshops.

TEL/TTY: 617-742-0820

Toll Free: 1-800-466-3111

WEB: www.chapa.org

Fannie Mae has a toll-free hotline and web page which can refer consumers to local homebuyer assistance organizations.

TEL: 1-800-7FANNIE (1-800-732-6643)

WEB: www.fanniemae.com (click on 'becoming a homeowner')

chapter 2: homeownership & counseling programs

MassHousing, formerly known as Massachusetts Housing Finance Agency, maintains a list of MassHousing-approved homebuyer counseling organizations. MassHousing requires counseling for borrowers buying two- to four-family properties or using its 3% down payment programs. A list of agencies is available on MassHousing's web page.

Main Office/Boston

TEL: 617- 854-1020

TTY: 617-854-1025

WEB: www.masshousing.com (click on 'homeownership', then 'first-time homebuyer')

MASS RELAY: 1-800-439-2370

Western Massachusetts Office

TEL: 413-733-0999

TTY: 413-733-2103

The City of Boston also has information on counseling programs. The City also offers down payment and closing cost grants to eligible buyers in Boston who participate in city-approved homebuyer education programs.

TEL: 617-635-4663/Boston Home Center

WEB: www.cityofboston.gov/dnd

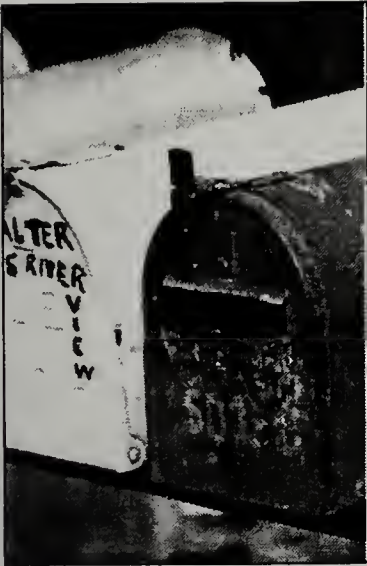
POST-OWNERSHIP EDUCATION AND ASSISTANCE

Many homebuyer counseling agencies offer post-purchase counseling, both through one-on-one and group sessions, to help homebuyers after they have purchased a home. These organizations can help homeowners with questions about budgeting, repairs, maintenance, and foreclosure prevention. Frequently workshops or individual counseling are provided free of charge.

CONTACT INFORMATION

Appendix 1 lists homebuyer counseling agencies that have received a "Seal of Approval" by the Massachusetts Homeownership Collaborative. Agencies offering post-purchase counseling and foreclosure prevention or assistance services have a 'P' in the last column. The agencies are listed in alphabetical order by community.

assistance with financing homeownership



HOUSEHOLD COMPOSITION

Mary

AGE
57

PREVIOUS LIVING SITUATION
Renting a market-rate apartment

APPROXIMATE MONTHLY INCOME
\$1,176

PRIMARY INCOME SOURCE
SSDI

YEAR PURCHASED
1998

PROPERTY TYPE
Condominium

LOCATION
Jamaica Plain, MA

PURCHASE PRICE
\$78,000

MORTGAGE AMOUNT
\$50,000

- OTHER FUNDS
- \$7,650 CHAPA/Department of Housing & Community Development HOME funds
 - \$23,000 Personal Savings

PROFILE IN HOMEOWNERSHIP:

MARY

It is a familiar story: Mary, who was 53 years old at the time, enjoyed the apartment she rented in Jamaica Plain. However, in that past year, her rent had increased by \$100 per month, which was difficult to manage on her limited income. Mary was also concerned that her aging landlady might sell the home to move to a smaller one.

Mary was on the waiting list for a subsidized apartment, but there would be a long wait, and she was concerned she might not be able to remain in the community she loved once she got to the top of the list. In her application, Mary wrote, "Having a home of my own would stabilize my housing costs over the long term as well as give me a choice of where I am able to live. Finding stable housing is very important to me as it will alleviate a tremendous amount of stress."

Mary heard about the Home of Your Own Program through a doctor at the Massachusetts Mental Health Center. She took a homeownership education workshop and received individual assistance through Metropolitan Boston Housing Partnership (MBHP). She began looking for a home that would meet her needs, although there were not very many properties available in her price range. Because of this, Mary knew that she would need to move quickly once she found one. Mary said that the assistance and encouragement she received from the homebuyer counselor at MBHP helped to keep her focused and positive during her search for an affordable home.

Mary was persistent in her search and with the help of a local real estate agent, found a one-bedroom condominium in Jamaica Plain in her price range. She made an offer, requested down payment and closing cost assistance from CHAPA's HOME funds and applied for Fannie Mae's HomeChoice mortgage through BankBoston. On September 30, 1998 Mary closed on her new home. On October 23, 1998 after some minor repairs were finished, she moved into her new home.

Three and a half years later, Mary is still happy in her home. She has recently been elected to the Board of Trustees in her condo association and is enjoying the freedom that comes with having a stable home environment.

Homeownership lending programs use a variety of tools to make homeownership affordable, including subsidized interest rates, down payment and closing cost assistance, elimination of or lower-cost mortgage insurance, more flexible lending criteria, lease-purchase arrangements, and rehabilitation loans. These lending programs are designed to address the most common obstacles that conventional mortgages present for people wishing to purchase a home:

► Housing Expenses

OBSTACLE:

Finding a home at a cost where the monthly mortgage, insurance and property tax payments will not exceed the percentage of a buyer's income allowed under conventional mortgages.

SOLUTION:

Many first-time homebuyer programs allow buyers to spend a higher percentage of income for housing and permit a higher percentage of debt as well. Some also offer low interest rates that reduce monthly payments.

► Credit History Requirements

OBSTACLE:

Lower-income buyers often have no credit, or some past credit problems.

SOLUTION:

Many programs consider a buyer's "non-traditional" credit, such as a gym membership, in evaluating their credit history.

► Down Payment, Closing Costs, Reserves

OBSTACLE:

Coming up with a 5%, 10% or 20% down payment from their own (not gift) funds, cash for closing costs, and a two month reserve of mortgage payments can be difficult for lower-income households.

SOLUTION:

Many programs permit down payments of as low as 3%; some permit 0% down payments. Other programs offer grants and loans for down payment and closing costs.

PROGRAM ELIGIBILITY

Most homeownership assistance programs have maximum income limits, although they vary among programs and communities.

- Many programs cap eligibility at a percentage of area median income limits established by the U.S. Department of Housing and Urban Development (HUD). Common limits range from 50% to 120% of area median income (*see Appendix 3 for current HUD income limits*).
- For MassHousing mortgage programs, the income limit depends on location and household size (*see Appendix 4 for current MassHousing income limits*).

ELIGIBLE PROPERTIES

Some programs can be used for one- to four-family properties. Others are limited to one-unit homes. Some programs set maximum allowable purchase prices or mortgage amounts.

- Many state and federal programs use limits established by the Federal Housing Administration (FHA). The limits vary by county and are generally set at 95% of area median housing prices (see *Appendix 3 for current FHA limits*).
- MassHousing has its own purchase price limits, which also vary by location (see *Appendix 4*).

This chapter is divided into two sections: *Programs to Assist with Down Payment and Closing Costs* and *Affordable Mortgage Programs*. Both are described in detail below.

Programs to Assist with Down Payment and Closing Costs

The following are detailed descriptions of homeownership programs that provide assistance with down payment and closing costs.

THE MASSACHUSETTS HOME OF YOUR OWN PROGRAM

Massachusetts has participated in this homeownership program for people with disabilities since 1996. The program, coordinated by Citizens' Housing and Planning Association (CHAPA), is a statewide, cross-disability coalition of disability agencies, people with disabilities, housing and service providers, advocates, allies and family members, and others. The goal of this program is to increase homeownership and control of housing among people with disabilities. To date, 47 buyers have purchased homes in Massachusetts with assistance from the Massachusetts Home of Your Own Program.

PROGRAM FEATURES

- Pre-and post-purchase homeownership counseling through the Massachusetts Homeownership Collaborative's network of community-based non-profit housing agencies
- Down payment and closing cost assistance
- Access to special mortgage products.

PROGRAM ELIGIBILITY

Buyers must:

- Be first-time homebuyers with disabilities
- Have household income less than 80% of the HUD area median income (see *Appendix 3*)
- Be Massachusetts residents who wish to purchase a home in Massachusetts
- Be over the age of 18 (Non-disabled parents wishing to purchase homes for their disabled children are not eligible for this program).

CONTACT INFORMATION

Citizens' Housing and Planning Association
TEL/TTY: 617-742-0820
Toll Free: 1-800-HOME-111
WEB: www.chapa.org

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT (DHCD) PURCHASER ASSISTANCE

The federal HOME program provides annual block grants to states and larger cities for housing assistance programs. In Massachusetts, ten cities and towns plus seven consortia covering another 49 communities receive HOME block grants directly from the U.S. Department of Housing and Urban Development (HUD). The MA Department of Housing and Community Development (DHCD) also receives HOME funds to assist people in communities throughout the State.

DHCD uses some of its annual HOME block grant to fund programs that help first-time homebuyers with down payment and closing costs. DHCD awards these funds to non-profits and municipalities through a competitive annual grant process. The non-profits and municipalities then make loans to first-time homebuyers.

First-time Homebuyer Acquisition Loan Program

PROGRAM FEATURES

- No-interest down payment and closing costs loans (generally structured as a 0% interest, five year deferred payment loan). The loan turns into a grant after five years if the buyer still owns the unit.
- Under current program rules, buyers must repay part of the loan if they sell the unit less than five years after purchasing it. The amount they must repay declines by 20% of the loan each year.
- Loans cannot exceed 5% of a property's purchase price (up to a maximum of \$10,000).

PROGRAM ELIGIBILITY

Buyers must:

- Be first-time homebuyers
- Occupy the unit as their primary residence
- Have incomes of less than 80% of the HUD area median income (*see Appendix 3*) at the time of loan approval.

ELIGIBLE PROPERTIES

- One- to four-family properties and condominium units are eligible
- The appraised value of the unit to be purchased cannot exceed the regional FHA mortgage limits (*see Appendix 3*)
- If the property is a two- to four-family unit, there can be affordability restrictions on the rental units as well. These restrictions govern tenant income-eligibility and allowable rents.
- Prior to occupancy, the property must meet the requirements of both the Massachusetts Lead Law and the HUD lead paint regulations, whether children are present or not.

CONTACT INFORMATION

It is generally best to contact a homebuyer counseling agency or community development department to see if this type of assistance is available (*see Appendix 1*). Some information is also available from the Massachusetts Department of Housing and Community Development (DHCD).

DHCD, Private Housing Division
TEL: 617-727-7824
WEB: www.state.ma.us/dhcd/

Affordable Mortgage Programs

The following are affordable mortgage programs, many specifically designed for low-income, first-time homebuyers.

SOFT SECOND LOAN PROGRAM

The Soft Second Loan Program helps households qualify for a higher mortgage than they could if they used conventional financing. The program was developed to increase affordable housing opportunities for low- and moderate-income homebuyers in Massachusetts by combining a conventional first mortgage with a subsidized second mortgage. Buyers are qualified based on a 75 percent first mortgage, and a subsidized "Soft Second" mortgage (usually 20 percent of the purchase price, or \$20,000, whichever amount is greater). The remaining five percent is the buyer's down payment. And, unlike a conventional mortgage, expensive private mortgage insurance is not required.

The Soft Second Loan Program has helped over 6,000 Massachusetts families buy their first homes. The program is offered in over 225 communities in Massachusetts through over 40 participating banks. To see which communities are participating, find a local homebuying agency, check income-eligibility and purchase price restrictions, and identify a lender, contact Massachusetts Housing Partnership Fund (MHP), below.

PROGRAM FEATURES

The Soft Second Loan Program provides assistance in several ways:

- **Subsidized Second Mortgage**
Buyers make interest-only payments on the second mortgage for the first ten years. In addition, eligible buyers can receive an interest subsidy on the second mortgage for the first five years, which then phases out gradually over the second five years.
- **Low Down Payment**
Participating banks require a minimum down payment of 5% of the purchase price (of which 2% can be a gift or grant). If a buyer chooses to make a bigger down payment, the extra amount is subtracted from the first mortgage.
- **No Private Mortgage Insurance (PMI)**
Lenders generally require buyers to pay PMI if the mortgage exceeds 80% of the purchase price. With a 75% first mortgage under the Soft Second Loan Program, buyers avoid PMI and lower their monthly payments.
- **Other Assistance**
Some communities and participating lenders offer additional assistance including down payment and closing cost grants or slightly reduced interest rates on the first mortgage.

HOW THE PROGRAM WORKS

- Potential homebuyers must participate in a homebuying workshop administered by one of the fifty-two agencies that have a Massachusetts Homeownership Collaborative Seal of Approval (see Appendix 1).
- Buyers apply for a subsidy reservation through a participating bank. The bank determines how much a buyer can afford to pay each month and breaks this into payments on a conventional first mortgage for 75% of the value of a property and payments on the soft second mortgage for 20% of the purchase price.
- Once buyers get a financing reservation, they can search for a home and purchase it.
- The buyer makes full payments on the first mortgage.

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- The buyer pays interest only on the second loan for the first ten years. Those receiving interest rate subsidies pay as little as 25% of the interest while the State pays 75% in years one to five. The subsidy is gradually phased out between years six and ten with the buyer taking on more and more of the payment. Monthly payments level off again in year eleven and remain constant thereafter.

PROGRAM ELIGIBILITY

Buyers must:

- Be first-time homebuyers, with certain exceptions
- Complete a first-time homebuyer education course from an agency with a Massachusetts Homeownership Collaborative "Seal of Approval" (see Appendix 1)
- Meet income-eligibility requirements. These limits vary by community.
- Agree to use the property as their primary residence throughout the term of their loan
- Purchase a home in a participating community
- Choose a home within the purchase price limits. These limits vary by community.

Detailed information about approved homebuyer education organizations, income-eligibility, purchase price limits, and participating communities are available by contacting MHP, below.

ELIGIBLE PROPERTIES

- Condominiums, one-family, two-family and three-family homes in participating communities
- Purchase price limits vary by community.

Funding availability depends in part on state appropriations and the availability of local community funding.

CONTACT INFORMATION

Massachusetts Housing Partnership Fund

TEL: 617-338-7868

Toll Free: 1-877-647-3863

WEB: www.mhpfund.com (Click on 'homeownership')

MASSHOUSING FIRST-TIME HOMEBUYER MORTGAGES

MassHousing (formerly known as the Massachusetts Housing Finance Agency) is a quasi-public state agency which provides low down payment mortgages for first-time homebuyers at slightly below market interest rates through participating lenders. MassHousing has several types of mortgages, described below.

MassAdvantage and MassAdvantage 100

MassAdvantage (formerly the General Lending program) is MassHousing's largest mortgage program.

PROGRAM FEATURES

- Below-market interest rates
- Choice of the number of points to be paid (0 or 2 points)¹
- Low down payment requirements: as low as 3% for buyers with at least two years of good credit (2% of this can be from a gift), 5% for buyers with one year of good credit (2.5% of this can be from a gift). Additionally, in April 2002, MassHousing introduced MassAdvantage 100, a new zero down payment mortgage product.

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- Flexible underwriting: allows for housing and total debt ratios of up to 33/41²
- Special MassHousing mortgage insurance: this eliminates the requirement imposed under most conventional mortgages that buyers have cash reserve at closing equal to two months of mortgage payments.

PROGRAM ELIGIBILITY

- First-time homebuyers with exceptions for some communities (including Chelsea, Everett, Fall River, Lawrence, Lynn, North Adams, and Somerville)
- Buyers must be income-eligible (*see Appendix 4 for MassHousing income limits*).

ELIGIBLE PROPERTIES

- Owner-occupied one- to four-unit properties, including condominiums
- Purchase price cannot exceed MassHousing limits for the region (*see Appendix 4*) and must be supported by an appraisal. There are separate limits for new and existing housing.

RECAPTURE PROVISIONS

Buyers may have to pay a federal recapture tax if they sell their home within nine years of the closing date. Any such recapture tax amount will depend on household income at the time of sale, the year the home is sold, and how much the property has appreciated. Lenders will discuss when and if recapture will be required in more detail when buyers apply for and close on a MassHousing loan.

FUNDING AVAILABILITY

Funding is generally available (over 2,000 mortgages are made a year).

CONTACT INFORMATION

To apply for a mortgage or learn more about the MassAdvantage programs, interested parties should contact a participating lender.

MassHousing

TEL: 617-854-1020

TTY: 617-854-1025

WEB: www.masshousing.com (Click on 'homeownership')

¹ A point is a one-time charge by the lender to increase the yield of the loan. A point is equal to one percent of the amount of the mortgage.

² Lenders usually use two qualifying ratios to determine what size mortgage buyers are eligible for: 1) Monthly housing costs as a percentage of monthly gross (pre-tax) income and 2) Monthly housing costs plus other long-term debts as a percentage of monthly gross income. For example, many standard mortgage products have qualifying ratios of 28% (monthly housing costs) and 36% (total costs including debt). These ratios are sometimes also referred to as housing and total debt ratios. Many mortgage programs for first-time homebuyers offer more flexibility.

MassHousing Purchase and Rehabilitation Mortgages

MassHousing's Purchase and Rehabilitation mortgages provide mortgages for the purchase of a home plus necessary rehabilitation.

PROGRAM ELIGIBILITY

Same as under MassHousing's MassAdvantage (*see page 14*).

ELIGIBLE PROPERTIES

- **Rehabilitation Costs**

Property must require at least \$7,500 in rehabilitation. Rehabilitation costs include the amount required to pay for the repairs, as well as other allowable expenses: inspection fees, title update fees, required contingency reserve equal to 10% of the total rehabilitation cost.

- **Purchase Price**

The combined cost of buying and renovating the home cannot exceed MassHousing's purchase price guidelines (same as under MassAdvantage—*see Appendix 4*) and must be supported by an appraisal.

RECAPTURE PROVISIONS

See discussion under MassAdvantage.

FUNDING AVAILABILITY

Generally available. MassHousing makes about 25 loans/year under this program.

CONTACT INFORMATION

To apply for a mortgage or learn more about the program, interested parties should contact a Local Housing Rehabilitation Agency (LRA) or participating lender. LRAs help people determine eligibility, identify needed repairs and help with hiring and overseeing the work of a contractor. They will also refer applicants to a participating lender to process the mortgage loan application. Some MassHousing lenders handle purchase and rehabilitation loans directly in areas not covered by LRAs. See Appendix 2 for a list of local rehabilitation agencies by city or town.

MassHousing FreshRate Mortgage Program

The FreshRate program is an affordable loan program offering 4% of the loan amount for down payment and closing cost assistance to those who qualify. The FreshRate program was designed to make homeownership a reality for families who have enough income to make payments but have not been able to set aside enough money for the down payment, closing costs, and escrows, or who might need to keep some cash on hand to purchase appliances, etc.

PROGRAM FEATURES

- 30-year fixed rate mortgages
- Up to 4% of the loan amount can be used for down payment and closing costs
- One-point origination fee.

PROGRAM ELIGIBILITY

- Expanded MassHousing income limits are available for this mortgage program, both within and outside of the Boston area. [2002 income limits: Boston Area—\$97,500 for a one- or two-person household, \$111,000 for three or more; outside of Boston Area—\$76,800 for a one- or two-person household, \$87,600 for three or more.]
- These mortgages are not restricted to first-time homebuyers.

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ELIGIBLE PROPERTIES

- For owner-occupied one- to four-family properties in any Massachusetts community
- Purchase prices cannot exceed the current FHA, VA or RHS Maximum Mortgage Limits (see *Appendix 3*).

RECAPTURE PROVISIONS

The down payment and closing cost assistance is forgiven over ten years. This assistance will be documented with a second note and mortgage. There is a recapture provision if the home is sold within ten years and the first lien is paid off.

PARTICIPATING LENDERS

- Citizens Mortgage
- CNI Mortgage
- Countrywide Mortgage
- First Eastern Mortgage
- National City Mortgage
- North American Mortgage
- Salem Five Mortgage

CONTACT INFORMATION

MassHousing Single Family Consumer Line

TEL: 617-854-1020

TTY: 617-854-1025

WEB: www.masshousing.com (Click on 'homeownership')

RURAL HOUSING SERVICES (RHS) MORTGAGE PROGRAMS

The Rural Housing Services division of the U.S. Department of Agriculture offers several mortgage programs to assist first-time homebuyers to purchase single-family homes in non-urban communities with populations of up to 20,000-25,000. The programs can be used in 234 Massachusetts communities, including all of Cape Cod, parts of the South Shore, and much of Central and Western Massachusetts (see *Appendix 6*).

RHS offers several types of loans for purchase and/or rehabilitation of a home at very favorable rates and terms. RHS also offers some special grants. These include:

- Rural Housing Guaranteed Loan
- Rural Housing Direct Loan
- Housing Repair and Rehabilitation Loan
- Mutual Self-Help Loans
- Rural Housing Site Loans
- Housing Repair and Rehabilitation Grant
- Self-Help Technical Assistance Grant
- Individual Water and Waste Grants
- Housing Application Packaging Grants

PROGRAM FEATURES

- Many RHS programs offer zero down payment loans on properties that meet RHS standards
- Longer terms than conventional loans (up to 38 years for buyers with incomes below 60% of the HUD area median)
- Low interest rate with an additional interest subsidy for lower-income households on most loan types

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- Flexible underwriting, with very favorable housing and total debt ratios
- Loans for refinancing non-RHS loans for a home (1) at risk of foreclosure or (2) needing repairs totaling \$5,000 or more to correct existing deficiencies and for which refinancing is necessary for the owner to afford a repair loan
- Loan limits: generally the loan may not exceed FHA's 203(b) maximum mortgage limits (see *Appendix 3*). However, RHS can go above the limit for certain locations, or if necessary to meet the needs of a specific applicant (e.g. to serve a large household or accommodate a person with disabilities). RHS can also go above the limit to add in appraisal costs or any required contribution to an escrow account for taxes and insurance costs.

PROGRAM ELIGIBILITY

Buyers must:

- Generally have adjusted household income (after deductions for child care, etc.) of less than 80% of the HUD area median (see *Appendix 3*) at time of loan approval. Forty percent of each state's funding is reserved for households with incomes less than 50% of area median. Some funding is available for households with incomes of up to 115% of area median.
- Either not currently own a home (except for refinancing applicants) or own a home that is structurally unsound, functionally inadequate, or too small to accommodate their needs.
- Have an acceptable credit history but be unable to obtain sufficient credit from another source.
- Personally occupy the dwelling.

ELIGIBLE PROPERTIES

- Single-family (one-unit) homes located in RHS-eligible communities (see *Appendix 6*).

FUNDING AVAILABILITY

The level of funding available depends on how much Congress appropriates for the program each year. RHS divides the annual appropriation among states using a needs-based formula each year. Because program funding has fallen in recent years, RHS has been giving priority to loans that combine other mortgage funding sources.

CONTACT INFORMATION

Information on specific programs can be obtained from RHS's three field offices:

Northampton Office: Serving Western Massachusetts—Berkshire, Franklin, Hampshire, and Hampden counties.

TEL: 413-585-1000

Holden Office: Serving Central Massachusetts and North Shore—Worcester, Middlesex, Suffolk, and Essex counties.

TEL: 508-829-4477

West Wareham Office: Serving South Eastern Massachusetts, Cape Cod and the Islands—Bristol, Norfolk, Plymouth, Dukes, Nantucket, and Barnstable counties.

TEL: 508-295-5151

Or the Massachusetts RHS Office in Amherst:

TEL: 413-253-4300

TTY: 413-253-7068

WEB: www.rurdev.usda.gov/rhs

FEDERAL HOUSING ADMINISTRATION-INSURED MORTGAGES

The Federal Housing Administration (FHA) is part of the U.S. Department of Housing and Urban Development (HUD). Congress created it in 1934 to encourage lenders to make more mortgage loans. The FHA does not make mortgage loans itself, but insures mortgages made by private lenders for home purchases and refinancing. Under the insurance program, FHA compensates the lender if a buyer defaults on his/her mortgage.

FHA-insured loans have a number of features that can make homebuying more affordable. FHA's major program, referred to as Section 203(b), insures fixed-rate mortgages for one- to four-unit properties; related FHA programs insure condominium mortgages [Section 234], adjustable rate [Section 251], graduated payment [Section 245], and purchase and rehabilitation mortgages [203(k)]. The purchase and rehabilitation program is described in Chapter 4.

In general, FHA-insured mortgages offer flexible terms and conditions, low down payments, and attractive refinancing and mortgage insurance options. These mortgages are available through FHA-approved lenders for one- to four-unit properties within the FHA's maximum mortgage limits for the area (see *Appendix 3*). Buyers must be owner-occupants of any income level.

CONTACT INFORMATION

More information is available through a homebuyer counseling agency (*Appendix 1*) or HUD's web page.

WEB: www.hud.gov (Click on 'about HUD', then 'housing', then 'single family', then 'FHA insured loans'.)

VETERANS AFFAIRS-INSURED MORTGAGES

The Department of Veterans Affairs (VA) insures mortgages for buyers currently in the U.S. military and veterans of the armed forces. Private lenders actually make the loans and set the interest rates.

PROGRAM FEATURES

- 0% down payment possible. Veterans have a lifetime "guaranty entitlement" of \$36,000, which can substitute for a down payment
- The maximum loan amount is generally \$240,000
- Buyers pay a small funding fee to the VA. In many cases the fee may be added to loan and financed. This fee is waived for veterans with service-related disabilities.
- Fully-amortizing loans for 10 to 30 years with the option of a fixed-rate or graduated payment mortgage³
- No mortgage insurance required
- Loans can be used for purchase, purchase and rehabilitation, or to refinance an existing mortgage.

³ A loan that is fully-amortizing is a loan with a gradual repayment by installments, calculated to pay off the loan at the end of fixed period of time.

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PROGRAM ELIGIBILITY

To apply for a VA loan, buyers must obtain a Certificate of Eligibility from the VA which certifies that the buyer is eligible to use the program.

ELIGIBLE PROPERTIES

One- to four-unit property or condominium in VA-approved condominium association.

CONTACT INFORMATION

Additional information can be obtained from local lenders and from the Department of Veterans Affairs Regional Office in Boston or from the Department's web page. The VA offices and web page can provide various informational pamphlets.

Manchester, New Hampshire (regional office for New England and New York)

TEL: 1-800-827-1000 or 603-666-7502

TTY: 1-800-829-4833

WEB: www.va.gov or www.homeloans.va.gov/veteran.htm or

www.vba.va.gov/ro/manchester/lgy/main/loans.html

FANNIE MAE MORTGAGE PROGRAMS

Congress created Fannie Mae (FNMA or Federal National Mortgage Association) in 1938 to make homeownership more affordable for low- and moderate-income households. Fannie Mae does not directly make loans to individuals; rather, it purchases loans from lenders and sells them on the secondary market to investors. Fannie Mae has a number of affordable loan products with 3% and 5% down payment requirements. Major programs are briefly described below.

Fannie Mae has developed a variety of mortgage products available to homebuyers through lenders. A complete list of lenders is available at www.homepath.com. Homepath.com can also provide information about the types of mortgages available.

Some of Fannie Mae's most popular first-time homebuyer mortgages include:

- Fannie Mae's Community Home Buyer's Program
- Fannie 3/2
- Fannie 97
- FannieNeighbors
- HomeChoice (for people with disabilities)
- Flexible 97
- Flexible 100
- HomeStyle Renovation Mortgage

CONTACT INFORMATION

While some details are included below, more detailed information on Fannie Mae programs, participating lenders, and local homebuyer counseling agencies is available by calling Fannie Mae or searching the Fannie Mae web page.

TEL: 1-800-7FANNIE (1-800-732-6643)

WEB: www.homepath.com or www.fanniemae.com (Click on 'for homebuyers')

FANNIE MAE Community Home Buyer's Program (CHBP)

This is Fannie Mae's basic affordable mortgage program.

PROGRAM FEATURES

- 5% down payment requirement from buyer's own funds and loan terms of 15-30 years
- Housing and total debt ratios of 33/38
- Does not require cash reserves at closing
- Homebuyer counseling is required

PROGRAM ELIGIBILITY

- Programs are generally limited to buyers with incomes of less than 100% of the HUD area median income (see *Appendix 3*), with higher limits (135%) in the Boston Metropolitan Statistical Area. In 21 central cities, there are no income limits (see below under 'Fannie Neighbors').

ELIGIBLE PROPERTIES

One-family homes and condominiums. Maximum mortgage must be less than Fannie Mae mortgage limits (currently \$300,700 for a one-family unit).

3/2 Option

The same as CHBP except that it requires that only 3% of the 5% down payment come from the buyers' own funds (the remaining 2% can be a gift or a grant or unsecured loan from a non-profit or public agency). Homebuyer counseling is required.

Fannie 97

Allows a 3% down payment (based on a loan to value ratio of 97%). Loans can be 25 years (with qualifying ratios of 33/36) or 30 years (with standard qualifying ratios of 28/36). Buyers must participate in pre-purchase homebuyer counseling and post-purchase early delinquency counseling.

Fannie Neighbors

The same as CHBP except there are no income limits for properties located in 21 "central cities" or in certain HUD-designated low-income or minority census tracts and underserved areas. The 21 "central cities": Attleboro, Barnstable, Boston, Brockton, Cambridge, Fall River, Fitchburg, Gloucester, Holyoke, Lawrence, Leominster, Lowell, Lynn, New Bedford, Northampton, Pittsfield, Springfield, Waltham, Westfield, Worcester, Yarmouth.

HomeChoice

In partnership with the Massachusetts Home of Your Own Alliance Fannie Mae's HomeChoice Mortgage can assist low- and moderate-income people with disabilities in Massachusetts to become homeowners. This mortgage can also be used to assist families with a member who has a disability.

PROGRAM FEATURES

- Very low down payment (as low as \$500), and flexibility in the source of down payment funds
- Flexible underwriting standards and ratios
- Non-traditional buyer credit histories
- 15- to 30-year fixed rate loans
- Allows a co-buyer who will not be living in the home if he/she is a family member or legal guardian

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- Can be combined with some features from other products within Fannie Mae's Community Home Buyer's Program, like purchase and rehab
- Homebuyer counseling and additional assistance from local participating agencies.

PROGRAM ELIGIBILITY

- Buyers must be low- or moderate-income people with disabilities defined as disabled by the Americans with Disabilities Act of 1990 or defined as handicapped by the Fair Housing Amendments Act of 1988
- Pre-purchase and post-ownership homebuyer counseling is required.

ELIGIBLE PROPERTIES

One-unit single-family properties and condominiums are eligible.

CONTACT INFORMATION

Citizens' Housing and Planning Association

TEL/TTY: 617-742-0820

Toll Free: 1-800-466-3111

WEB: www.chapa.org

Flexible 97 and Flexible 100

These low down payment mortgages are for buyers that have very good credit but have difficulty raising adequate funds for the down payment and closing costs. These loans also appeal to buyers who wish to maximize their tax deduction or prefer to use their funds for other expenditures (like appliances, modifications, etc.). They provide tremendous flexibility with regard to down payment and feature the lowest amount of the buyer's own funds needed for the loan's closing.

PROGRAM FEATURES

- No down payment is required for the Flexible 100, and only 3% down payment is required for the Flexible 97.
- A 3% buyer contribution for closing and prepaid fees is required. This 3% does not have to come from personal savings--buyers can use a gift from a family member or the seller, a loan secured by a marketable asset, or a loan or grant from a non-profit or government agency.
- The up-front mortgage insurance costs are lower for these mortgages than for FHA loans.
- Flexible terms are available, including a 15- or 30-year fixed-rate mortgage or a seven- or ten-year adjustable rate mortgage.

PROGRAM ELIGIBILITY AND ELIGIBLE PROPERTIES

- No buyer income limits or restrictions on property location
- Can be used to buy one-family, principal residences, including condominiums.

Homestyle Renovation Mortgage

This mortgage product is for buyers looking to purchase a “fixer-upper”, or those who find a property that is in good condition but needs accessibility features, or other improvements like a new kitchen or bath. The HomeStyle Renovation Mortgage can also be used later to refinance an existing mortgage to fund improvements or repairs to a home currently owned. The loan amount used for renovation may be as much as 50 percent of the as-completed appraised value of the home (a lender or homebuyer counselor can help calculate approximately how much this is).

PROGRAM FEATURES

- Borrow more than the current value of the home since the loan amount is based on either the project costs including improvements or the as-completed value of the property
- As little as a 5 percent down payment
- A first mortgage interest rate is applied, which is lower than the home equity or second mortgage rates typically associated with home improvement financing
- Most types of improvements or repairs are eligible
- Flexible terms including a fixed-rate mortgage with a 15 to 30 year term or an adjustable-rate mortgage (ARM)
- Finance up to six months of mortgage payments during construction. For example, if a buyer has to spend six months renting an apartment while the home renovation takes place, the buyer can roll those expenses into the loan amount.

ELIGIBLE PROPERTIES

- One- to four-unit primary residences and condominiums
- The maximum loan amount for the purchase of one-unit, owner-occupied property is 95 percent of the sum of the purchase price and the cost of improvements, or the as-completed appraised value of the property, whichever is less.

CONTACT INFORMATION

For a list of lenders or more information:

TEL: 1-800-7FANNIE (1-800-732-6643)

WEB: www.homepath.com or www.fanniemae.com (Click on ‘for homebuyers’)

FREDDIE MAC AFFORDABLE MORTGAGE PRODUCTS

Congress established Freddie Mac (Federal Home Loan Mortgage Corporation or FHLMC) in 1970. Like Fannie Mae, Freddie Mac does not directly make loans to individuals, but purchases loans from lenders and sells them on the secondary market to investors. Freddie Mac loan products are offered through participating lenders.

Affordable Gold Mortgages

Freddie Mac has variations on this "Affordable Gold" mortgage for buyers of single-family (one-unit) homes.

These include:

- Affordable Gold 5
- Affordable Gold 3/2
- Affordable Gold 97
- Affordable Gold Alt 97

PROGRAM FEATURES

- 5% down payment requirement (Affordable Gold 5)
- 5% down payment of which 2% can come from gift funds (Affordable Gold 3/2)
- 3% down payment requirement (Affordable Gold 97 and Alt 97)
- Permits use of gifts/grants, unsecured loans, Individual Development Accounts (IDAs) for down payment and closing costs
- Can be combined with approved soft second mortgage programs
- Flexible terms: 15-, 20- and 30-year fixed rate mortgages
- Allows monthly housing and total debt ratios of up to 38/40
- Reserves recommended but not required with Affordable Gold 5; one month reserve required for Affordable Gold 3/2 and Affordable Gold 97 and Alt 97
- Most of these products require homeownership education through an approved counseling agency.

PROGRAM ELIGIBILITY

- Income cannot exceed 100% of HUD area median or 135% for properties in the Boston Metropolitan Statistical Area (*see Appendix 3*).
- No income limits for 21 central cities (Attleboro, Barnstable, Boston, Brockton, Cambridge, Fall River, Fitchburg, Gloucester, Holyoke, Lawrence, Leominster, Lowell, Lynn, New Bedford, Northampton, Pittsfield, Springfield, Waltham, Westfield, Worcester, Yarmouth) and census tracts with median family incomes of less than 80% the area median or where minorities make up more than 50% of the population. Higher income limits may also be available in areas targeted by specially negotiated programs.
- Homebuyer education is generally required.

ELIGIBLE PROPERTIES

- Single-family (one-unit) homes and condominiums

Community Gold Mortgages

Community Gold loans may be used to finance the purchase, refinance, purchase-and-renovation or refinance-and-renovation of one- to four-unit properties. These loans are made through Freddie Mac-approved lenders, require homeownership counseling for all buyers, and are available in communities that are actively promoting revitalization.

PROGRAM FEATURES

- Can be used for purchase or refinance transactions, with or without renovation
- Flexible terms including 15-, 20-, and 30-year fixed-rate mortgages
- Various sources of funds may be used for down payment, closing costs and pre-paid expenses including gifts or grants, Individual Development Accounts (IDAs), etc.

PROGRAM ELIGIBILITY

- Flexible treatment of credit history, and housing and total debt ratios
- No income limits if property is located in a targeted area
- Minimal down payment, as little as \$1,000 or 2% from the homebuyer
- No maximum housing expense-to-income ratio. Total debt ratio of up to 42%.

ELIGIBLE PROPERTIES

- One- to four-unit properties
- No reserves required for one- and two-unit properties, two months' reserves required for 3- and 4-unit properties.

CONTACT INFORMATION

Potential homebuyers should work with local lenders to see which products they offer. Additional information and a list of local lenders is available from Freddie Mac's toll-free hotline.

TEL: 1-800-FREDDIE (1-800-373-3343)

WEB: www.freddiemac.com

HUD'S SECTION 8 FOR HOMEOWNERSHIP PROGRAM

This program allows current and new households receiving Section 8 assistance to use the monthly subsidy toward payment of a mortgage, rather than rent.

Congress enacted legislation in October 1998 that authorized the U.S. Department of Housing and Urban Development (HUD) to create a program to allow Section 8 rental vouchers to be used for homeownership expenses. HUD issued a final rule on this program in September 2000.

The program is gradually and selectively being implemented in Massachusetts. Housing authorities are not required to offer the program.

PROGRAM FEATURES

- Housing authorities may choose to offer the program
- Housing authorities can limit the program size or target a particular population (for example, households with a disability, or participants in Family Self Sufficiency programs)
- The homeowner must receive homebuyer counseling

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- Other subsidies (such as city or state down payment and closing cost grants) may be used with the Section 8 subsidy
- The maximum term that the Section 8 voucher can be used to subsidize the mortgage is 15 years if the mortgage term is 20 years or more, and 10 years otherwise. HUD provides an exception for households with a member who has a disability and elderly households. For these households, the subsidy continues for the entire term of the mortgage.

PROGRAM ELIGIBILITY

- At least one household member must be employed full-time (at least 30 hours per week) in the year prior to the home purchase. The employment requirement is waived for elderly households and households where the head of household has a disability.
- Households must be first-time homeowners, with the exceptions of single parents and displaced homemakers, or to accommodate a family with a member with disabilities.
- Minimum income: participants must earn at least the Federal minimum wage multiplied by 2,000 hours (or, at least \$10,300 a year in 2002). Welfare or benefits payments may count toward the total household income to qualify for a mortgage, but not toward the minimum income requirement of \$10,300. For elderly and disabled households, however, welfare payments are counted toward the minimum income requirement.
- Households must qualify for financing with a lender. There are several different lender programs for purchasers receiving Section 8 assistance. Details about these mortgage programs follow this section.

ELIGIBLE PROPERTIES

- Single-family (one-unit) homes, condominiums, and co-ops
- New construction or existing units
- No family member can have an ownership interest in another residential property during the time that the family receives Section 8 homeownership assistance
- Prior to purchase, a property must pass both a Housing Quality Standards (HQS) inspection and an independent home inspection.

CONTACT INFORMATION

Current Section 8 voucher holders should contact the regional non-profit or local housing authority that administers their Section 8 rental voucher. The Section 8 Administrator or Family Self Sufficiency Coordinator should be able to provide information about the Section 8 Homeownership Program, if there is one, or will be one in the future.

CHAPA has developed a list of housing authorities that offer Section 8 Homeownership programs. The list includes program design information.

TEL/TTY: 617-742-0820

Toll Free: 1-800-466-3111

Web: www.chapa.org

There are several lenders in Massachusetts that have developed financing options for the Section 8 Homeownership Program. They are described below. It is important to note, however, that regardless of a lender's ability to offer mortgage products for this program, the critical component for program eligibility is a participating housing authority. Interested Section 8 tenants must contact the agency that administers their voucher before applying for a mortgage.

FANNIE MAE/Citizens Bank Section 8 Homeownership Mortgage Product

In Massachusetts, Citizens Bank and Fannie Mae are launching an initiative that will help Section 8 recipients to purchase homes. Fannie Mae is placing a high priority on using this resource to promote homeownership for people with disabilities.

PROGRAM FEATURES

- Very flexible underwriting, with several options for the calculation of income and buyer qualification
- Low down payment requirement, and funds from Family Self Sufficiency or Individual Development Accounts are accepted as a buyer's own funds for down payment
- Any of Fannie Mae's affordable housing products (including those described on pages 20-23) can be used in conjunction with this initiative.

PROGRAM ELIGIBILITY

- Employment: one to two years of full-time work experience, with special consideration of individual situations. Participation in a Family Self Sufficiency Program can compensate for less than two years of full-time employment.
- Must participate in pre-purchase homeownership counseling
- Buyer must agree to receive post-purchase counseling (early delinquency counseling) in the event of late payment of the mortgage.

ELIGIBLE PROPERTIES

- One-unit properties, including condominiums

CONTACT INFORMATION

Citizens Bank

TEL: 617-725-5840 Melodie Jackson

Fannie Mae

TEL: 215-575-1400 Northeast Regional Office/ 215-575-1447 Jennifer Messmer

FREDDIE MAC Section 8 Homeownership Mortgage Product

The Freddie Mac Section 8 Homeownership Program is flexible and is designed to fit the needs of buyers, lenders, and local housing authorities that administer Section 8 voucher programs.

PROGRAM FEATURES

- Flexible underwriting, with several options for the calculation of income and buyer qualification
- Minimal down payment requirement
- Flexibility of sources for down payment and closing costs, including Family Self Sufficiency accounts
- 30-year fixed-rate mortgages
- Can include any of Freddie Mac's Affordable Gold Mortgages (described on page 24)

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PROGRAM ELIGIBILITY

- Must have at least one year of full-time work experience
- Must participate in pre-purchase homeownership counseling
- Buyer must agree to receive post-purchase counseling (early delinquency counseling) in the event of late payment of the mortgage.

ELIGIBLE PROPERTIES

- One-unit properties, including condominiums

CONTACT INFORMATION

Additional information and a list of local lenders is available from Freddie Mac's toll-free hotline.

TEL: 1-800-FREDDIE (1-800-373-3343)

WEB: www.freddiemac.com

MassHousing Section 8 Homeownership Pilot Program

MassHousing is presently piloting a Section 8 Homeownership Program with Neighborhood Housing Services of the South Shore and Randolph Savings Bank. There may be opportunities to expand this program in the future.

PROGRAM FEATURES

- This pilot program offers Section 8 recipients comprehensive assistance in achieving homeownership.
- Applicants must participate in approximately 24 hours of career training, homebuyer education, credit counseling, and financial management instruction with Neighborhood Housing Services of the South Shore over several months
- Thirty-year fixed rate mortgage
- Section 8 payments go directly to the bank and are credited to the buyer's mortgage payment
- Buyer pays the balance by automatic deduction from his/her checking account, which he/she must maintain with the bank
- MassHousing will provide mortgage insurance for these loans. MassHousing will also provide mortgage insurance for Section 8 Homeownership programs with other lenders and housing authorities with the same guidelines as the South Shore program.

PROGRAM ELIGIBILITY

- Must be employed for at least two years prior to purchasing
- Participating Section 8 Self Sufficiency Program
- Income must be sufficient to carry 70% of the monthly PITI with 33/38 housing and total debt ratios, exclusive of the Section 8 subsidy
- Must have good credit

ELIGIBLE PROPERTIES

- One-unit properties, including condominiums
- Must be located within Randolph Savings Bank's primary assessment area

chapter 3: assistance with financing homeownership

CONTACT INFORMATION

- Neighborhood Housing Services of the South Shore

TEL: 617-770-2227 x24 Debbie Kidd

- Randolph Saving Bank

TEL: 781-341-6641 Tom Drummey

- MassHousing

TEL: 617-854-1060 Peter Milewski, Mortgage Insurance Fund

Main Office/Boston

TEL: 617-854-1000 (main number)

TEL: 617-854-1020 (homeownership information)

TTY: 617-854-1025 (Boston office)

MASS RELAY: 1-800-439-2370

Western Massachusetts office

413-733-0999 (Western Massachusetts office)

TTY: 413-733-2103 (Western Massachusetts office)

OTHER FIRST-TIME HOMEBUYER PROGRAMS

Many lenders offer special programs for first-time homebuyers with low- and moderate-incomes; some offer the benefits to anyone applying for a mortgage. Some reduce or waive application fees, legal fees, and closing costs.

CONTACT INFORMATION

More information about affordable mortgages is available from a local homebuyer counseling agency. A list of agencies that have received a "Seal of Approval" from the Massachusetts Homeownership Collaborative is available from CHAPA.

Citizens' Housing and Planning Association

TEL/TTY: 617-742-0820

Toll Free: 1-800-466-3111

WEB: www.chapa.org/housing_agencies.htm

In addition, because not all lenders publicize their programs, people shopping for mortgages should always ask lenders if they offer special programs for first-time homebuyers, lower income households, or people with disabilities.

rehabilitation and repair programs



HOUSEHOLD COMPOSITION

Joseph, Gary & Everett

AGE(S)

Joseph, 61
Gary, 48
Everett, 31

PREVIOUS LIVING SITUATION

Renting a house together

APPROXIMATE MONTHLY INCOME

\$2,870

PRIMARY INCOME SOURCE

SSI – Gary
SSDI – Joseph and Everett

YEAR PURCHASED

1999

PROPERTY TYPE

Single Family

LOCATION

New Bedford, MA

PURCHASE PRICE

\$101,500

MORTGAGE AMOUNT

\$73,300
\$20,300 MHP Soft Second Loan

OTHER FUNDS

- \$7,950 CHAPA/Department of Housing & Community Development HOME funds

PROFILE IN HOMEOWNERSHIP:

JOSEPH AND GARY

Joseph describes the way he learned about the Home of Your Own Program as "round-about". Everett was doing property maintenance for a neighbor who happened to work for the Cambridge Housing Authority. Their landlord had recently raised their rent, and Joseph was looking for some information about homeownership opportunities. Their neighbor told them about the homeownership education classes at Fall River Affordable Housing Corporation (FRAHC) and Joseph signed himself, Gary and Everett up immediately. At the class, they asked a lot of questions, and found out about some programs that they could qualify for.

They worked closely with George Tripp, the homebuyer counselor at FRAHC, who Joseph and Gary describe as their "invaluable mentor and leader", and he told them they might qualify for the Home of Your Own Program, since all three men are disabled. George also told them about the MA Housing Partnership Fund's Soft Second Loan Program. Joseph, Gary and Everett looked at about 5 properties, but chose the house in New Bedford because it had a 5-car garage, which was great for storage, and in the basement it had a shop area, with a built-in workbench and tools. Gary used to be a carpenter and was excited about having a shop at home that he could work in.

The only modification that needed to be made to the home was to make it lead safe. At the time, one of the requirements for the Home of Your Own Program was to make the property either lead free (for children under 6) or lead safe. Joseph, Gary and Everett needed to abate the lead paint in the windows.

A piece of advice that Joseph offers to make sure that potential homebuyers are aware of the possible "...sizable increases in real estate taxes, especially if the house hasn't been bought or sold recently" and there hasn't been an assessment done in a few years. The assessed value of their home has gone up about \$21,000 since they have purchased it, and consequently, their real estate taxes have increased.

Overall, Joseph says homeownership has been a very positive experience for all three of them. "We have an eclectic family, but it's ours. ...[Here] we can have our pets and can live the way we want."

This chapter discusses programs to help homeowners finance repairs and rehabilitation, including the adaptation of units to accommodate disabilities, lead paint abatement and septic system maintenance. This chapter is divided into two sections: *Financing Home Modifications for Accessibility* and *Other Homeowner Rehabilitation Programs*.

Financing Home Modifications for Accessibility

While conventional rehabilitation and home equity loans are available for accessibility modifications (exterior ramps, doorways, installation of grab bars, etc.), many low- and moderate-income households cannot use them because they cannot afford the additional loan payments, or because they do not have enough equity in their homes yet. However, the Commonwealth of Massachusetts has several small grant programs specifically for home modifications as well as a statewide home modification loan program. In addition, some cities and towns have homeowner rehabilitation loan programs that are funded with federal CDBG and HOME grants. These programs can provide an affordable source of funding for home modifications as well (see page 41).

HOME MODIFICATIONS LOAN PROGRAM

This loan program is a collaboration of the Massachusetts Rehabilitation Commission (MRC) and Community Economic Development Assistance Corporation (CEDAC). This program was funded at \$10 million to provide loans and technical assistance through a state bond approved by the Massachusetts State Legislature.

Loans are available for modifications to the primary residence of elders, adults with disabilities, and families who have children with disabilities. Examples of modifications that may be eligible are: installation of sensory adaptations, lifts, ramps, wheelchair access, grab bars, and egress adaptations.

PROGRAM FEATURES

- Based on income eligibility, from \$1,000 up to \$25,000 (inclusive of all costs) may be available as a Deferred Payment Loan (DPL) or Amortized Loan.
- Loans are secured by a promissory note and/or a mortgage lien. A DPL must be repaid in full upon sale or transfer of title of the property.
- For higher income households, Amortizing Loans, which require monthly payments, are offered at below market rates.

PROGRAM ELIGIBILITY

- Any homeowner who has a disability or is elderly, has a household member who has a disability or rents to an individual(s) with a disability may apply for a loan.
- Income requirements are based on the number of people in the household and the total gross income of the homeowner.

chapter 4: rehabilitation and repair programs

ELIGIBLE PROPERTIES

- Properties with fewer than ten units may be eligible
- The owner of the property must apply (even in situations where the tenant or family member has the disability and has requested modifications)
- The unit requiring modifications must be the primary, principle residence of the individual(s) with the disability
- The modifications to be made to the residence must be necessary to allow the beneficiary to remain in his or her home, and must specifically relate to the functional limitation caused by the disability.

CONTACT INFORMATION

TEL: Each of the agencies below serves a different part of the state. A complete listing of the cities and towns in each Region is available at the loan program's web page.

WEB: www.state.ma.us/mrc/agency/homemods.htm

- **Region 1** (primarily Hampden and Hampshire Counties)

Pioneer Valley Planning Commission

Paul Lischetti, Laurel Foley or Janet Cassesse

26 Central Street, West Springfield, MA 01089

TEL: 413-781-6045

FAX: 413-732-2593

Email: plischetti@PVPC.org

Bell Atlantic Relay available

- **Region 2** (primarily Northern Worcester County)

Rural Housing Improvement, Inc.

Lois Plante, Audrey Greenwald

218 Central Street, Winchendon, MA 01475

TEL: 978-297-5300 x210

TTY: 978-297-3176

Email: audrey@RHIRCAP.org or lplante@rhircap.org

- **Region 3** (primarily Merrimack Valley area)

Community Teamwork, Inc.

Connie Beauregard

167 Dutton Street, Lowell, MA 01852

TEL: 978-459-0551 x237

TTY: 978-686-9334

Email: cbeauregard@comteam.org

- **Region 4** (primarily MetroWest area)

South Middlesex Opportunity Council, Inc.

Roland Simoneau

300 Howard Street, Framingham, MA 01702

TEL: 508-620-2682

TTY: 800-724-7662

FAX: 508-620-2310

Email: rolands@smoc.org

- **Region 5** (primarily Norfolk and Bristol Counties and the South Shore area)

South Shore Housing Development Corporation

Joan Maney

169 Summer Street, Kingston, MA 02364

TEL: 781-585-3885 x250

TTY: 781-585-3886

Email: jmaney@southshorehousing.org

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- **Region 6** (Boston and the surrounding area)
Metropolitan Boston Housing Partnership
Sarah Cohen
569 Columbus Avenue, Boston MA 02118
TEL: 617-859-0400 x300
Email: sarahc@mbhp.org
Bell Atlantic Relay available

MASSACHUSETTS REHABILITATION COMMISSION'S (MRC) VOCATIONAL REHABILITATION PROGRAM

Eligible applicants must be a client of MRC's Vocational Rehabilitation program. The modifications must be related to the client's vocational goal (i.e. employed, seeking to maintain employment, or could benefit from employment). Homemaking is included as a vocation or vocational goal. Counselors at local MRC offices determine the eligibility of Vocational Rehabilitation clients for these grants. There is frequently a waiting list for this funding.

CONTACT INFORMATION

TEL/TTY: 800-245-6543 or 617-204-3600

WEB: www.state.ma.us/mrc/vr/vrmain.htm

MRC can provide the phone numbers of local Vocational Rehabilitation offices, or a listing is available at www.state.ma.us/mrc/vr/offices.htm, or by city/town at www.state.ma.us/mrc/vr/towns.htm

MRC'S ADAPTIVE HOUSING PROGRAM THROUGH THE INDEPENDENT LIVING DIVISION

Eligible applicants for this grant program are people with severe disabilities who are not eligible for vocational rehabilitation services. Staff at the Independent Living Centers, working with an MRC staff person, make this determination for applicants.

ELIGIBLE PROPERTIES

- Private rental or ownership housing may be eligible for funding
- Funds can only be used for accessibility modifications inside the home. The work cannot add value to the unit, cannot involve knocking down outer walls or expanding living space.
- The maximum for a homeowner is \$1,000; for a renter it is \$4,000 (although a tenant may request a waiver of this limit).

FUNDING AVAILABILITY

Due to great demand for assistance, there is usually a waiting list for funding.

CONTACT INFORMATION

Clients of MRC's Vocational Rehabilitation division should call their local MRC office. Other applicants should call their local Independent Living Center. Information is also available from MRC.

TEL: 617-204-3724 for Vocational Rehabilitation clients

617-204-3628 for other applicants

TTY: 617-727-2183

MASSACHUSETTS COMMISSION FOR THE BLIND (MCB) HOME MODIFICATION GRANTS

The Massachusetts Commission for the Blind has a small state-funded grant program (about \$40,000 a year) which funds home modifications for people who are both legally blind and have a secondary severe disability. There are no income limits for assistance under this program.

PROGRAM FEATURES

- The funding is generally used for accessibility modifications (wheelchair ramps, lifts, etc.)
- The per grant limit is roughly \$10,000, with some flexibility
- MCB also helps clients find funding sources, if needed, to fund the additional cost of accessibility improvements
- MCB works with eligible households to determine the needed work, develop plans, get bids on the work, and then oversees the construction. MCB works with approved vendors throughout Massachusetts.

FUNDING AVAILABILITY

Because funding is so limited, there is a long waiting list for aid (generally over 50 households).

CONTACT INFORMATION

Massachusetts Commission for the Blind
Lorraine Teehan
TEL: 1-800-392-6450, ext. 7580

VETERANS AFFAIRS SPECIALLY ADAPTED HOUSING PROGRAMS

The United States Department of Veterans Affairs (VA) has two programs which veterans with service-related disabilities can use for home modifications.

VA Specially Adapted Housing Program

This program provides grants to veterans with a permanent and total service-related disability for up to 50% of the cost of building, buying or remodeling specially adapted homes or paying debt that was previously acquired without a VA grant. The maximum grant is \$43,000. This grant can also be combined with VA home mortgage programs (*see Chapter 3*).

PROGRAM ELIGIBILITY

Veterans must have a service-related disability due to:

- Loss or loss of use of both lower extremities which prevents walking without braces, crutches, canes or a wheelchair; or
- Blindness in both eyes (having only light perception) plus loss/loss of use of one lower extremity; or
- Loss or loss of use of one lower extremity together with (a) residuals of organic disease or injury or (b) loss or loss of use of one upper extremity which precludes locomotion without using braces, canes, crutches or a wheelchair.

chapter 4: rehabilitation and repair programs

CONTACT INFORMATION

Manchester, NH is the Regional Office of the VA for Massachusetts

VA Regional Office (262)

Norris Cotton Federal Building

275 Chestnut Street

Manchester, NH 03101

TEL: 603-666-7479

Toll Free: 1-800-827-1000

TTY: 1-800-829-4833

FAX: 603-666-7549

WEB: www.homeloans.va.gov/sah.htm

Additional information may be available from the Veterans officer at a local city or town hall.

VA Special Housing Adaptation Program

For veterans with less severe service-related disabilities, this program provides grants of up to \$8,250 to pay for the cost of adapting a house, or for the market value of adapted features in a house when it was purchased. This program can be used in connection with the VA home mortgage program.

PROGRAM ELIGIBILITY

Veterans must have a permanent and total service-related disability due to:

- Blindness in both eyes with 5/200 visual acuity or less; or
- Anatomical loss or loss of use of both hands.

ADDITIONAL PROGRAM FEATURES

Funds may be used to:

- Adapt a house which the veteran plans to purchase or already owns;
- Adapt a house which a member of the veteran's family plans to purchase or already owns;
- Purchase a house which has already been adapted with special features that the VA has determined are reasonably necessary because of the veteran's disability.
- The veteran must either reside in the house or intend to reside in the house.

CONTACT INFORMATION

Manchester, NH is the Regional Office of the VA for Massachusetts

VA Regional Office (262)

Norris Cotton Federal Building

275 Chestnut Street

Manchester, NH 03101

TEL: 603-666-7479

Toll Free: 1-800-827-1000

TTY: 1-800-829-4833

FAX: 603-666-7549

WEB: www.homeloans.va.gov/sah.htm

Additional information may be available from the Veterans officer at a local city or town hall.

Other Homeowner Rehabilitation Programs

Many other homeowner rehabilitation loan programs described below, as well as the purchase and rehabilitation programs described in Chapter 3, can be used to finance work to make a home accessible or to rehabilitate or repair a home.

WEATHERIZATION PROGRAMS

The MA Department of Housing and Community Development (DHCD) operates two programs which provide grants and/or free repairs to make homes warmer and more energy-efficient. The grants can be used for insulation, replacement windows, and heating system repairs. These improvements can help homeowners reduce their heating costs.

A copy of DHCD's handbook on Weatherization Programs can be found on DHCD's web page at: www.state.ma.us/dhcd/components/dns/energy/cold_rel.pdf

Weatherization Assistance Program (WAP)

Using federal funds from the U.S. Department of Energy, this DHCD program provides grants ranging from \$200 to a maximum of \$3,500. No client contribution is required. Funding can be used for comprehensive energy conservation retrofitting services (e.g. insulation, caulking and air-sealing, replacement of storm windows and burner repairs). Local non-profit agencies conduct or oversee the weatherization work. DHCD estimates this work reduces the average household's space heating energy costs by about 20%.

PROGRAM AND PROPERTY ELIGIBILITY

- Units may be occupied by either homeowners or renters
- Household income cannot exceed 200% of the federal poverty level (in 2001-2002, this number was \$17,180 for a single-person household, or \$35,340 for a four-person household)
- Priority is given to elderly households, people with disabilities, and families with young children
- Grants range from \$200 to \$3,500 for energy conservation measures.

CONTACT INFORMATION

DHCD Bureau of Energy Programs

TEL: 617-727-7004

Toll Free: 1-800-632-8175

WEB: www.state.ma.us/dhcd/components/dns/fuel/default.htm

A list of local agencies participating in this program is available at the web page above or by telephone.

Heating Energy Assistance Retrofit Task Weatherization Program (HEARTWAP)

This program provides free emergency heating system repairs, tune-ups, replacements, and retrofits for oil, gas, coal, wood and electric systems. HEARTWAP services vary dependent on the specific needs of the home. Emergency repairs average from \$50 to \$150. Heating system replacements for unsafe, inoperable, and irreparable systems can be as high as \$2,750. The program is managed by a network of local non-profit agencies serving every community in the state.

PROGRAM ELIGIBILITY

- The program serves homeowners and tenants with incomes up to 200% of the Federal poverty limit (*see above*).

chapter 4: rehabilitation and repair programs

CONTACT INFORMATION

DHCD Bureau of Energy Programs

TEL: 617-727-7004

Toll Free: 1-800-632-8175

WEB: www.state.ma.us/dhcd/components/dns/fuel/default.htm

A list of local agencies participating in this program is available at the web page above or by telephone.

MASSHOUSING REHABILITATION LOAN PROGRAMS

MassHousing offers a variety of rehabilitation and repair loan programs to meet the needs of homeowners once they have purchased a home.

Get the Lead Out

This program provides loans to owners of one- to four-family properties to remove lead paint.

PROGRAM FEATURES

- 0% deferred payment loans for owner-occupants (the loan must be repaid upon sale or transfer of the property)
- 0% fully-amortizing loans for non-profit owners renting to income-eligible tenants
- 3% fully-amortizing loans for investor-owners renting to income-eligible tenants
- Owner-occupants do not have to repay the loan until they sell, refinance, or transfer the property
- Fully-amortizing loans to non-profits or investors are for five to twenty years depending on the amount that is borrowed and buyer eligibility
- Maximum loan amount is \$20,000 for a single-family home, \$25,000 for a two-family, \$30,000 for a three-family, \$35,000 for a four-family property.

PROGRAM ELIGIBILITY

- Owner-occupants with incomes within MassHousing's program limits are eligible (see *Appendix 4*).
- Investor-owners or non-profit-owners renting to tenants with incomes within MassHousing's program limits are eligible.

ELIGIBLE REHABILITATION WORK

All of the loan funds must be used for lead paint abatement activities.

CONTACT INFORMATION

Participating local rehabilitation agencies help consumers determine eligibility, apply for financing, and locate contractors (see *Appendix 2*).

WEB: www.masshousing.com (Click on 'Home Ownership', and then any title under 'Products' for more details).

chapter 4: rehabilitation and repair programs

MassHousing Home Improvement Loan Program (HILP)

This program provides small loans (\$5,000 to \$25,000) to homeowners for major repairs or improvements, such as work to make a home accessible, bring a home into compliance with state building or environmental requirements, or for structural repairs, safety and energy efficiency improvements, or work to enhance basic living conditions.

PROGRAM FEATURES

- Loan terms range from five to fifteen years, depending on the size of the loan
- Interest rates are slightly below market rates (the Wall Street Journal Prime Rate minus 2%).

PROGRAM AND PROPERTY ELIGIBILITY

- One- to four-unit homes are eligible, if the buyer has owned and occupied the home for at least one year
- Owner-occupants with incomes below MassHousing's program limits are eligible buyers (see *Appendix 4*).

CONTACT INFORMATION

A participating local rehabilitation agency (LRA). LRAs help with determining eligibility, loan applications, and overseeing the rehabilitation work (see *Appendix 2*). They will also refer eligible buyers to a participating lender.

WEB: www.masshousing.com (Click on 'Home Ownership', and then any title under 'Products' for more details).

MassHousing Septic Repair Programs

This program provides low-interest loans of \$1,000 to \$25,000 to homeowners to repair septic systems that do not meet state (Title 5) requirements. Loans can be used for all costs associated with repair of sewage disposal system or with sewer connections.

PROGRAM FEATURES

- Interest rates of 0%, 3% or 5% depending on household income
- Loans are fully-amortizing, with 3- to 20-year terms, based on the size of the loan
- Loans are based on household credit, rather than property value, so loan to value ratios do not apply.

PROGRAM AND PROPERTY ELIGIBILITY

- Buyers must be owner-occupants of a one- to four-unit home or condominium with failed sewage disposal system, have incomes below MassHousing's program limits (see *Appendix 4*) and meet participating lenders' credit guidelines. Condominium associations are also eligible.

CONTACT INFORMATION

Buyers apply directly to participating lenders. Brochures and a list of participating lenders are available from MassHousing:

• Main Office/Boston

TEL: 617-854-1000 (main number)/ TEL: 617-854-1020 (homeownership information)

TTY: 617-854-1025 (Boston office)

MASS RELAY: 1-800-439-2370

WEB: www.masshousing.com

Email: info@masshousing.com

• Western Massachusetts Office

TEL: 413-733-0999 (Western Massachusetts office)

TTY: 413-733-2103 (Western Massachusetts office)

STATE AND LOCAL HOMEOWNER REHABILITATION LOAN PROGRAMS (CDBG AND HOME)

The State and a number of communities across the state receive federal block grant funds under two U.S. Department of Housing and Urban Development (HUD) programs for housing and community development activities. It is up to the State and local communities to decide how to spend these funds each year. Many use a portion of these funds for homeowner rehabilitation loan programs.

Community Development Block Grant

HUD's Community Development Block Grant (CDBG) program provides block grants for housing and community development activities that benefit low- and moderate-income people. In Massachusetts, 34 larger cities and towns, called entitlement communities, receive CDBG grants directly from HUD. The State, through the Department of Housing and Community Development (DHCD) also receives funds to support eligible activities in non-entitlement communities. DHCD establishes eligible activities for this money each year and then accepts applications from communities.

HOME Program

HUD's HOME program provides block grants for housing assistance activities for low-income households. DHCD, 11 larger cities, and seven consortia covering 49 other communities, receive HOME funds directly from HUD. The State distributes a portion of its HOME grant to local communities and non-profits who have applied for funds for homeowner rehabilitation loan programs.

PROGRAM ELIGIBILITY

- Generally, homeowner assistance is limited to households with incomes less than 80% of HUD area median income (*see Appendix 3*). Some communities target lower income levels or specific neighborhoods.

CONTACT INFORMATION

Homebuyer counseling agencies, regional non-profit housing agencies, and local community development and housing officials are all good sources of information on homeowner rehabilitation programs that may be available locally. Local lenders are also frequently knowledgeable about local programs. Appendix 7 lists communities that receive CDBG or HOME block grants directly from HUD.

RURAL HOUSING REPAIR LOANS AND GRANTS (SECTION 504)

The U.S. Department of Agriculture's Rural Housing Service (RHS) program provides loans of up to \$20,000 to very low-income homeowners in RHS-eligible communities (*see Appendix 6 for eligible communities*).

PROGRAM FEATURES

- Loans of up to \$20,000
- 1% interest rate on loans
- Loans can be used for general repairs and improvements or to remove health and safety hazards
- Loan term can be up to 20 years, based on repayment ability
- Grants of up to \$7,500 are available for people age 62 and over who are unable to afford a loan
- Grants can only be used to make a dwelling accessible and usable for household members with disabilities or to remove identified health and safety hazards
- Grants must be repaid if property is sold within three years
- Loan and grant can be combined (for elderly buyers with some ability to repay) for up to \$27,500 total.

chapter 4: rehabilitation and repair programs

PROGRAM ELIGIBILITY

- Must be owner-occupant for at least one year prior to the date of loan application
- Household income cannot exceed 50% of HUD area median income (see Appendix 3).

ELIGIBLE PROPERTIES

- Properties must be located in RHS-eligible communities (see Appendix 6).

CONTACT INFORMATION

Information on specific programs can be obtained from RHS's three field offices:

- **Northampton** (serving Western Massachusetts--Berkshire, Franklin, Hampshire, and Hampden counties):
TEL: 413-585-1000
- **Holden** (serving Central Massachusetts and North Shore--Worcester, Middlesex, Suffolk, and Essex counties):
TEL: 508-829-4477
- **West Wareham** (serving South Eastern Massachusetts, Cape Cod and the Islands--Bristol, Norfolk, Plymouth, Dukes, Nantucket, and Barnstable counties):
TEL: 508-295-5151

Or the Massachusetts RHS Office in Amherst

TEL: 413-253-4300

TTY: 413-253-7068

WEB: www.rurdev.usda.gov/rhs/ (Click on 'individual and family opportunities', then scroll down to 'Home Repair Loan and Grant Program [Section 504]' and click on 'more info'.)

FHA REHABILITATION LOANS (SECTION 203K)

The Federal Housing Administration (FHA), an agency within the U.S. Department of Housing and Urban Development (HUD), insures purchase and rehabilitation loans made by private lenders under a program called Section 203k.

These loans can be used to fund:

- Rehabilitation or purchase and rehabilitation of a one- to four-family property (including owner-occupied condominiums)
- Refinancing existing debt and rehabilitating a property
- Purchasing a dwelling on another site, moving it onto a new foundation on the mortgaged site and rehabilitating the dwelling
- At least \$5,000 of the loan must be used for rehabilitation or improvements to the dwelling.

PROGRAM FEATURES

- Loans can be (1) up to 110% of the expected market value of the property upon completion of the work, or (2) the as-is value of the property before rehabilitation plus the cost of rehabilitation, whichever is lower
- 30-year fixed-rate or adjustable rate mortgages
- The down payment requirement for purchase and rehab by an owner-occupant (or a non-profit organization or government agency) is approximately 3% of the acquisition and repair costs
- Refinancing loans may not require a down payment if the buyer has significant equity in the property
- Up to six months of mortgage payments (including the mortgage insurance premium) can be included in the cost of rehabilitation when the property is not occupied during rehabilitation.

chapter 4: rehabilitation and repair programs

PROGRAM ELIGIBILITY

- Both individuals and non-profits can borrow funds under this program.

ELIGIBLE PROPERTIES

- One- to four-family properties that have been completed for at least one year (cooperative units are not eligible) and condominium units in FHA-approved developments. For condominium units, loans can only be made for work on the interior of the unit.
- Homes that have been demolished or will be razed as part of the rehabilitation work are also eligible as long as some of the existing foundation system remains in place.
- Mixed-use (residential/commercial) properties are also eligible as long as the loan proceeds are used only for the residential portion of the building.

ELIGIBLE REHABILITATION WORK

Many types of work are permissible including accessibility modifications for a person with disabilities, lead paint abatement, structural alterations, installation of a well or septic system, systems replacement and major landscape work. Other rehabilitation, including conversions (from a one-family unit to a two- to four- family unit or from a multi-unit building to a one- to four-family unit) is allowed as well.

CONTACT INFORMATION

Applications must be submitted through an FHA-approved lending institution. HUD's web page offers a directory of approved lenders at www.hud.gov/ll/code/llplcrit.html

TEL: 617-994-8200

TTY: 617-565-5168

WEB: www.hud.gov/offices/hsg/sfh/203k/203kabou.cfm

NEIGHBORWORKS NETWORK (NEIGHBORHOOD REINVESTMENT CORPORATION)

NeighborWorks Network agencies are community-based non-profit organizations that promote the revitalization of specific neighborhoods. These agencies operate a variety of programs and services, and may offer low-interest loans for owners to rehab homes.

CONTACT INFORMATION

Information on available financing and eligibility restrictions can be obtained directly from these organizations (*see Chapter 5*).

INTERNAL REVENUE SERVICE

Tax Deductions for Adaptations

Adaptations to a home, as well as the purchase of equipment may be deducted as an expense on federal tax returns if a doctor prescribes them. IRS publication #907 "Tax Highlights for Persons with Disabilities" gives the details of this and other deductions.

CONTACT INFORMATION

TEL: 202-536-1040

Toll Free: 1-800-829-3676

TTY: 1-800-829-4059

WEB: www.irs.gov

other homeownership resources

PROFILE IN HOMEOWNERSHIP: **ROBERTA**

HOUSEHOLD COMPOSITION

Roberta

AGE

42

PREVIOUS LIVING SITUATION

Renting a market rate condo from family member

APPROXIMATE MONTHLY INCOME

\$1,700

PRIMARY INCOME SOURCE

SSI

YEAR PURCHASED

2001

PROPERTY TYPE

Single Family

LOCATION

Leominster, MA

PURCHASE PRICE

\$153,000

MORTGAGE AMOUNT

\$116,000

OTHER FUNDS

- \$7,500 CHAPA/Federal Home Loan Bank of Boston Affordable Housing Program Funds
- \$3,100 Twin Cities CDC
- Personal Savings

Roberta learned about the Home of Your Own Program through her Multiple Sclerosis Support Group the day before the application was due to apply to the program! She immediately started working with Laurel Miller, Diane Healey and Rick Greene at Twin Cities CDC to take homeownership classes and encourages others to start taking classes at the beginning of their homeownership process. She also worked with Kelly Filock from the Central MA Housing Alliance (CMHA) to access the Home of Your Own Funds.

One of the first things Roberta did was list the pro's and con's to purchasing a condominium versus a single family home. She decided that she would like a single family better, and was in luck because an acquaintance was selling his small single family home. Once she saw the property, she knew it was perfect for her. It is all on one floor and only has a few steps at the main entrance, which is a lot easier for her than the three-floor condo she was renting before.

Roberta's mortgage is from I-C Federal Credit Union for \$116,000 and she received down payment assistance from both CHAPA's Home of Your Own Program and Twin Cities Community Development Corporation. The rest she made up with personal savings.

Advice she would give to others in the process of purchasing a home would be to have the property appraised by a professional before signing the purchase and sale agreement. "When it comes to money, you need to have an unbiased person work with you".

Overall, Roberta found the Home of Your Own Program and her experience with both Twin Cities and CMHA to be very positive and "everyone was very helpful". "The program was wonderful....It is hard to save enough for the down payment and [both programs] gave me the extra money I needed to keep the mortgage affordable".

There are a number of federal, state and local programs that list, build or rehabilitate homes for sale to low- and moderate-income households at affordable prices. This chapter describes some of these programs and ways to learn which communities offer them. It also discusses how to learn about foreclosed properties that may be for sale at affordable prices. This chapter is divided into three parts: *Affordable Homeownership Developments*, *Programs for Foreclosed/Distressed Properties*, and *Other Organizations Involved in Affordable Housing Development and Homeownership Assistance*.

Affordable Homeownership Developments

Some homeownership developments have reserved units for sale at affordable prices. Buyers of these units may also be eligible to apply for affordable mortgage financing. The following are programs for affordable homeownership opportunities.

HOMEOWNERSHIP OPPORTUNITY PROGRAM (HOP) DEVELOPMENTS

This program, through the Department of Housing and Community Development (DHCD) and MassHousing, may have information on affordable homes for sale. In the late 1980s and early 1990s, the State provided funding to for-profit and non-profit developers of mixed-income single-family or condominium projects. Developers agreed to reserve at least 30% of the units in each development for purchase by households earning up to 80% of median income. The program funded almost 2,000 affordable units in 56 communities. While the State no longer develops new housing under the program, HOP resale units sometimes become available at these developments.

CONTACT INFORMATION

DHCD's Division of Private Housing can give more information on available HOP resale units.

TEL: 617-727-7824

WEB: www.state.ma.us/dhcd/

HOME-FUNDED DEVELOPMENTS (PROJECT-BASED ASSISTANCE)

This program provides a development subsidy to housing developers, including non-profits and for-profits, to rehabilitate or build properties for resale to first-time homebuyers. The subsidy, which comes to a municipality or the State through the U.S. Department of Housing and Urban Development (HUD), covers the difference between the total development cost and the resale price, and requires that the unit be sold, with resale restrictions, to a lower-income household.

CONTACT INFORMATION

To learn what communities have HOME-assisted units call a homebuyer counseling agency serving that area (see *Appendix 1*), or the local community development department or office of housing (see the *Blue Pages* or government section of a local telephone directory).

FEDERAL HOME LOAN BANK OF BOSTON (FHLBB) AFFORDABLE HOUSING PROGRAMS

The FHLBB has three programs that provide funds to lenders and local housing groups to assist first-time homebuyers throughout New England.

Affordable Housing Program (AHP)

The Affordable Housing Program provides grants and low-interest loans through member banks to community-based organizations to develop affordable housing, including homeownership units, for purchase by households earning less than 80% of median income. AHP funds can also be used for homeownership financing programs, including interest write-downs, down payments, and closing cost assistance.

Community Development Advance

Member financial institutions can use the Community Development Advance to help finance the purchase, construction, rehabilitation, or pre-development financing of affordable housing. For affordable-housing initiatives, income-eligible families means one or more persons living in the same dwelling unit for whom total annual income is at or below 115 % of the HUD area median family income.

New England Housing Fund (NEF)

The Bank's New England Fund (NEF) provides member financial institutions with advances to support housing and community-development initiatives that benefit moderate-income households and neighborhoods. The NEF serves a broader range of moderate-income households than the Bank's Community Development Advance and provides special flexibility for mixed-income residential development. In general, the NEF can be used to finance affordable homeownership and rental housing opportunities for families with incomes at or below 140 % of the HUD area median income.

CONTACT INFORMATION

To learn where there are local affordable homeownership units or financing programs it is generally best to contact a community development department (*see the Blue Pages or government section of a local telephone directory*), or a homebuyer counseling agency, non-profit housing group, or member lender serving that community (*Appendix 1 lists homebuyer counseling agencies*). Information on the Federal Home Loan Bank of Boston's affordable housing activities is available from its Housing and Community Investment division.

Federal Home Loan Bank of Boston

TEL: 1-888-424-3863

WEB: www.fhlbboston.com/communitydevelopment/fundingprograms/

Programs for Foreclosed/Distressed Properties

Some lenders and institutions maintain lists of properties for sale after a buyer has defaulted on his or her mortgage. These properties are generally referred to as foreclosed properties. Sometimes lenders offer price discounts or special financing to speed up the sale of foreclosed properties. In addition, lenders may reserve lower cost properties specifically for low- and moderate-income buyers for a period of time before making them available to other purchasers.

FANNIE MAE-OWNED HOMES

Information on currently available homes can be accessed on-line through Fannie Mae's web page. The site includes the name of a local real estate agent to contact for additional information.

CONTACT INFORMATION

TEL: 1-800-7FANNIE (1-800-732-6643)

WEB: www.fanniemae.com (Click on 'Becoming a Homeowner', then 'Fannie Mae-Owned Property Search').

FREDDIE MAC-OWNED HOMES

A list of currently available homes can be found on Freddie Mac's HomeSteps web page. Freddie Mac also offers special financing for these properties.

PROGRAM FEATURES

- no private mortgage insurance
- expanded housing and total debt ratios (33/42)
- no appraisal required
- lower closing costs and fees
- 5% down for owner-occupants
- 2% gift funds allowable
- competitive interest rates
- 15- and 30-year mortgages available

CONTACT INFORMATION

HomeSteps, a division of Freddie Mac

TEL: 1-800-972-7555

WEB: www.homesteps.com (Click on 'Enter', click on the button next to 'Homes for Sale' or 'Special Financing' for details).

MASSHOUSING REAL ESTATE OWNED (REO) PROPERTIES

Homebuyers can purchase available foreclosed MassHousing properties through the MassHousing REO (Real Estate Owned) program. Below-market rate mortgages are available to qualified buyers. Standard financing can be arranged for buyers who do not meet MassHousing guidelines. All buyers benefit from homebuyer counseling, a rehabilitation package and cash incentives. Information on currently available homes can be accessed through MassHousing's web page.

CONTACT INFORMATION

Main Office/Boston

TEL: 617-854-1000

TTY: 617-854-1025

MASS RELAY: 1-800-439-2370 (for Boston or Western Massachusetts)

WEB: www.masshousing.com (click on 'Home Ownership', then click on 'Properties for Sale')

Western Massachusetts Office

TEL: 413-733-0999

TTY: 413-733-2103

FEDERAL GOVERNMENT-OWNED FORECLOSED PROPERTIES

The U.S. Department of Housing and Urban Development's (HUD) web page provides easy links to its own and other government agencies' lists of foreclosed properties. In addition to HUD's list, links are included for property lists from:

- Department of Veterans Affairs
- Federal Deposit Insurance Corporation (FDIC)
- General Services Administration
- Internal Revenue Service
- Small Business Administration
- U.S. Army Corps of Engineers
- Customs
- U.S. Marshals Service
- Department of Agriculture

CONTACT INFORMATION

WEB: www.hud.gov/homes/homesforsale.cfm

Other Organizations Involved with Affordable Housing Development and Homeownership Assistance

NEIGHBORWORKS NETWORK (NEIGHBORHOOD REINVESTMENT CORPORATION)

Neighborhood Reinvestment Corporation (NRC) is a national non-profit created by Congress in 1978 to provide technical and financial assistance to community groups. The NeighborWorks Network includes community-based non-profits throughout Massachusetts. These organizations develop affordable housing for potential homebuyers, and can access affordable loan programs as well. Many of these organizations can also help with homeownership education, financing and assistance for rehabilitation of properties, and other housing issues.

CONTACT INFORMATION

Massachusetts NeighborWorks organizations include:

Cambridge

Cambridge Neighborhood Apartment & Housing Services

TEL: 617-491-1545

Chelsea

Chelsea Neighborhood Housing Services, Inc.

TEL: 617-889-1375

Dorchester

Codman Square Neighborhood Development Corporation

TEL: 617-825-4224

East Boston

Neighborhood of Affordable Housing (NOAH)

TEL: 617-567-5882

WEB: www.noahcdc.org

Fitchburg

Twin Cities Community Development Corporation

TEL: 978-342-9561

Lowell

Coalition for A Better Acre

TEL: 978-452-7523

Quincy

Neighborhood Housing Services of the South Shore

TEL: 617-770-2227

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Roxbury

Madison Park Development Corporation

TEL: 617-541-3900

WEB: www.madison-park.org

Nuestra Comunidad Development Corporation

TEL: 617-989-1202

WEB: www.nuestracdc.org

Urban Edge Housing Corporation

TEL: 617-522-5515

SPRINGFIELD

Springfield Neighborhood Housing Services

TEL: 413-739-4737

WORCESTER

Oak Hill Community Development Corp

TEL: 508-754-2858

Neighborhood Reinvestment Corporation, Regional Office

TEL: 617-450-0410

WEB: www.nw.org

REGIONAL NON-PROFIT HOUSING AGENCIES

Massachusetts has nine non-profit housing groups that serve broad regions of the state, including many smaller communities that may not have local housing or community development departments. These agencies have Housing Consumer Education Centers that provide information for tenants, homeowners, landlords, and potential homebuyers and also provide homeownership counseling. These agencies may be able to help consumers locate affordable financing or properties, provide potential homebuyers with homeownership education and counseling, and assist with rehabilitation of properties if necessary.

Hampden Hampshire Housing Partnership

Hampden and Hampshire Counties

TEL: 413-785-1251

Franklin County Regional Housing and Redevelopment Authority

Franklin County

TEL: 413-863-9781

South Shore Housing Development Corporation

Plymouth and Bristol Counties

TEL: 781-585-3885

Rural Housing Improvement

Central Massachusetts

TEL: 978-297-5300

Housing Assistance Corporation

Cape Cod and Islands

TEL: 508-771-5400

Community Teamwork, Inc.

Merrimack Valley Area

TEL: 978-459-0551

Metropolitan Boston Housing Partnership

Greater Boston

TEL: 617-859-0400

South Middlesex Opportunity Council

Middlesex County Area

TEL: 508-872-4853

Berkshire Housing Development Corporation

Berkshire County

TEL: 413-499-1630

CONTACT INFORMATION

The Massachusetts Non-Profit Housing Association (MNPHA can provide a complete listing of these organizations and their programs.)

TEL: 617-367-9798

WEB: www.masshousinginfo.org

COMMUNITY DEVELOPMENT CORPORATIONS

Massachusetts also has many Community Development Corporations (CDCs) which are involved in housing initiatives for low- and moderate-income households in specific neighborhoods. Many of these groups are also homebuyer counseling agencies. The Massachusetts Association of Community Development Corporations (MACDC) can provide a complete listing of these organizations and their programs. The MACDC web page provides links to members' web pages.

CONTACT INFORMATION

Massachusetts Association of Community Development Corporations

TEL: 617-426-0303

WEB: www.macdc.org/macdc_members.htm

chapter 5: other homeownership resources

HABITAT FOR HUMANITY

Local Habitat for Humanity affiliates build properties for lower-income households, and may be able to provide information on other local affordable homeownership and rehab programs.

CONTACT INFORMATION

WEB: www.habitat.org

Massachusetts affiliates by area:

Attleboro

Old Colony Habitat for Humanity

TEL: 508-226-8833

Boston

Habitat for Humanity Boston

TEL: 617-524-8891

Braintree

South Shore Habitat for Humanity

TEL: 781-843-9080

Carver

Habitat for Humanity of Greater Plymouth

TEL: 508-866-4188

Fall River

Habitat for Humanity of Greater Fall River

TEL: 508-675-0838

Fitchburg

Habitat for Humanity of North Central Massachusetts

TEL: 978-348-2749

Framingham

MetroWest Habitat for Humanity

TEL: 508-652-9939

Gloucester

Cape Ann Habitat for Humanity

TEL: 978-282-7788

Lawrence

Greater Lawrence Habitat for Humanity

TEL: 978-681-8858

Lowell

Habitat for Humanity of Greater Lowell

TEL: 978-454-1046

Lynn

Habitat for Humanity of the North Shore

TEL: 781-598-0310

Nantucket

Habitat for Humanity of Nantucket, Inc.

TEL: 508-221-0380

North Adams

Northern Berkshire Habitat for Humanity

TEL: 413-663-5609

Northampton

Pioneer Valley Habitat for Humanity

TEL: 413-586-5430

Pittsfield

Central Berkshire Habitat for Humanity

TEL: 413-442-3181

Springfield

Greater Springfield Habitat for Humanity

TEL: 413-739-5503

Vineyard Haven

Habitat for Humanity of Martha's Vineyard

TEL: 508-627-8300

Wareham

Buzzards Bay Area Habitat for Humanity

TEL: 508-273-0225

West Yarmouth

Habitat for Humanity of Cape Cod

TEL: 508-775-3559

Westfield

Greater Westfield Habitat for Humanity

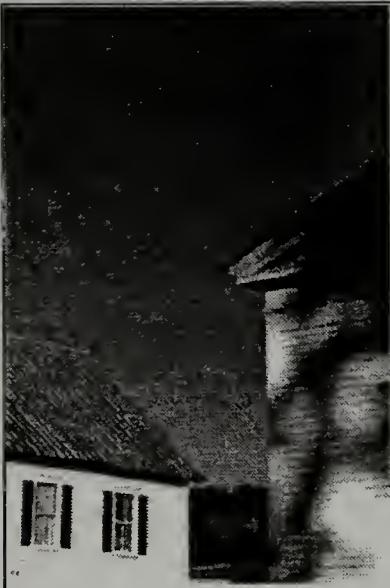
TEL: 413-564-0707

Worcester

Habitat for Humanity of Greater Worcester County

TEL: 508-799-9259

assistance with fair housing concerns



HOUSEHOLD COMPOSITION

James

AGE

42

PREVIOUS LIVING SITUATION

Renting with a roommate

APPROXIMATE MONTHLY INCOME

\$1,470

PRIMARY INCOME SOURCE

SSI

Employment

YEAR PURCHASED

2001

PROPERTY TYPE

Condominium

LOCATION

Fall River, MA

PURCHASE PRICE

\$43,000

MORTGAGE AMOUNT

\$34,400

OTHER FUNDS

- \$7,500 CHAPA/Federal Home Loan Bank of Boston Affordable Housing Program Funds
- \$2,400 Department of Mental Retardation
- Personal Savings

PROFILE IN HOMEOWNERSHIP: JAMES

James had been living in his condominium with his roommate, Tom, for eleven years. Tom owned the condo and James paid rent to Tom every month. About a year ago, Tom passed away and James was given the opportunity to purchase the property from Tom's sister, Patty. When this opportunity arose, Jim's service coordinator at the Department of Mental Retardation (DMR), Tina Recupero, told him about the Home of Your Own Program and Jim decided he wanted to take a homebuyer education workshop with George Tripp, at Fall River Affordable Housing Corporation.

George met with Jim one-on-one and presented videos, book material and helpful information regarding the homebuying process. Jim found the training very helpful and George was there throughout the whole process, even through closing. "As I completed each step, the idea/process that George explained to me became real." The other people that helped Jim were Eric, the property manager of the condominium association, Rosemary DuClos from Compass Bank, Attorney Carol Helliwell, and staff from the local independent living agency, Adsum.

Advice that Jim would give to other potential homeowners is to ask a lot of questions, be patient and believe. He suggests having a good team of people working with you and help with decision-making. On his overall experience, "It was a joy. I am very happy how everything went. I am a homeowner!!"

Owners, brokers, and lenders must comply the Fair Housing Act (except for homeowners who sell their home without advertising and without a broker) and cannot refuse to sell a home or provide financing because the potential buyer has a disability. Under state and federal law, owners, brokers and lenders cannot ask to see medical records or ask about a buyer's ability to live independently. However, they can ask about the buyer's ability to pay the mortgage and ask for past references from landlords. The following is a list of agencies to call for questions or concerns about fair housing.

THE MASSACHUSETTS OFFICE ON DISABILITY

The office has several publications on fair housing laws as well as other resources for people with disabilities.

TEL/TTY: 617-727-7440

Toll Free: 1-800-322-2020

ARC MASSACHUSETTS

This organization has a comprehensive booklet that explains fair housing laws and steps to take if someone believes they have been discriminated against: *Community Living: A Guide to Fair Housing Laws and Community Resources for Persons with Disabilities and their Families in Massachusetts*.

TEL: 781-891-6270

MASS RELAY: 1-800-439-2370

WEB: www.arcmass.org

DISABILITY LAW CENTER (DLC)

The Disability Law Center is a private, non-profit public interest law firm providing free legal assistance and information to people with disabilities throughout Massachusetts. The Center can help explain the law or represent a person with disabilities if they have been discriminated against because of their disability. In addition to housing discrimination, DLC's priority issues are discrimination in employment, public accommodation, child care facilities, and transportation.

DLC has two offices in Massachusetts:

Boston

TEL: 617-723-8455

Toll Free: 1-800-872-9992

TTY: 617-227-9464

Toll Free TTY: 1-800-381-0577

WEB: www.dlc-ma.org

Western Massachusetts

TEL: 413-584-6337

Toll Free: 1-800-222-5619

TTY: 413-582-6919

MASSACHUSETTS COMMISSION AGAINST DISCRIMINATION (MCAD)

Complaints for housing discrimination because of a person's disability can also be filed with MCAD.

Boston

TEL: 617-994-6000

Springfield

TEL: 413-739-2145

Worcester

TEL: 508-799-6379

WEB: www.state.ma.us/mcad

MUNICIPAL FAIR HOUSING COMMISSIONS

Many cities and towns have fair housing commissions, which are citizen-led groups that can assist individuals with situations involving housing discrimination. The Fair Housing Center of Greater Boston maintains a directory of resources, including publications and Fair Housing Commissions for the Greater Boston area.

Fair Housing Center of Greater Boston

TEL: 617-399-0491

WEB: www.boston.fairhousing.com

Email: info@bostonfairhousing.com

Or, check the Blue pages or Government section of the local telephone book, or call the city or town hall for more information on local resources.

Appendix 1: Organizations offering Homeownership Counseling and Education

The following homebuyer counseling agencies provide educational workshops and counseling to individuals and families interested in buying a home. These organizations have been awarded a "Collaborative Seal of Approval", a designation by the Massachusetts Homeownership Collaborative indicating they meet the Collaborative's standards for comprehensive homebuyer education.

Many of these agencies serve multiple communities. More detailed information on many of these agencies can be obtained over the Internet at www.chapa.org including names of contact persons, the types of counseling they provide (pre-purchase, post-purchase, individual and/or group), languages spoken, fees charged and upcoming class schedules.

All these agencies offer pre-purchase counseling. Agencies that offer post-purchase counseling (P) or foreclosure prevention services (F) are noted in the column labeled "Type".

Area	Agency	Phone	Type
Berkshire County	Berkshire Housing Development Corporation	413-499-1630 x108	
Boston	Allston Brighton Community Development Corporation	617-787-3874 x19	
Boston	Asian Community Development Corporation	617-482-2380 x205	
Boston	City of Boston, Dept. of Neighborhood Development	617-635-4663	P
Boston	City Life/Vida Urbana	617-524-3541	
Boston	Fenway Community Development Corporation	617-267-4637 x16	P
Boston	Homebuyer's Initiative	617-282-7788	
Boston	International Institute of Boston	617-695-9990 x176	
Boston	Madison Park Development Corporation	617-445-1061 x227	
Boston	Massachusetts Affordable Housing Alliance (MAHA)	617-265-8995 x313	P,F
Boston	Metropolitan Boston Housing Partnership (MBHP)	617-859-0400 x362	P
Boston	Neighborhood Development Corp. of Jamaica Plain	617-522-2424	
Boston	Neighborhood of Affordable Housing (NOAH)	617-569-3356 x219	P,F
Boston	Nuestra Comunidad Development Corporation	617-989-1203	P,F
Boston	Urban Edge Housing Corporation	617-541-2595	
Boston	Veterans Benefits Clearinghouse	617-306-9912	
Boston	Vietaid	617-822-3717 x17	
Cambridge	City of Cambridge Community Development Department	617-349-4642	
Cape /Islands	Housing Assistance Corporation	508-771-5400	
Chelsea	Chelsea Restoration Corporation	617-889-2277	P
Chesterfield	Hilltown CDC	413-296-9900 x15	
Chicopee	City of Chicopee, Office of Community Development	413-594-6500	
Fall River	Fall River Affordable Housing Corporation	508-677-2220	P,F
Fitchburg	Twin Cities CDC	978-342-9561 x37	P
Framingham	South Middlesex Opportunity Council (SMOC)	508-620-2675	
Franklin County	Rural Development, Inc.	413-863-9781	

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Greater Boston	Massachusetts Alliance of Portuguese Speakers	617-787-0557	
Haverhill	City of Haverhill	978-374-2347	
Lowell	Cambodian American League of Lowell	978-454-3707	
Lowell	Merrimack Valley Housing Partnership	978-459-8490	
Lawrence	Merrimack Valley Housing Partnership	978-459-8490	
Lynn	Lynn Housing Authority & Neighborhood Development	781-477-2800 x133	
Merrimack Valley	Community Teamwork, Inc.	978-459-0551	F
New Bedford	City of New Bedford Office of Housing & Nbrhd. Dev.	508-979-1500	
Newburyport	Coastal First-Time Homebuyer Program	978-465-4382	
Northampton	Valley Community Development Corporation	413-586-5855 x18	P
Plymouth	Plymouth Redevelopment Authority	508-830-4115	
Quincy	Neighborhood Housing Services	617-770-2227 x24	
Quincy	Quincy Community Action Programs	617-479-8181 x115	P,F
Somerville	Somerville Office of Housing & Community Dev.	617-625-6600 x2577	
South Shore	South Shore Housing Development Corporation	781-422-4200	P,F
Springfield	City of Springfield, Office of Housing	413-787-6500	
Springfield**	Hampden Hampshire Housing Partnership	413-785-1251 x344	F
Springfield	Springfield Neighborhood Housing Services	413-739-4737 x213	
Stoneham	Community Service Network	781-438-1977	
Taunton	Pro-Home	508-821-1092	
Waltham	Waltham Alliance to Create Housing (WATCH)	781-891-6689	
Watertown	Watertown Community Housing	617-923-3505	P
Worcester area	Central Massachusetts Housing Alliance	508-791-7265	F
Worcester area	Rural Housing Improvement	978-297-5300 x237	F
Worcester area	Worcester Community Housing Resources	508-799-0322	

** H.A.P., Inc. (the Hampden Hampshire Housing Partnership) serves many communities including: Agawam, Amherst, Belchertown, Blanford, Brimfield, Chester, Chesterfield, Cummington, Easthampton, East Longmeadow, Goshen, Granby, Granville, Hadley, Hampden, Hatfield, Holland, Holyoke, Huntington, Longmeadow, Ludlow, Middlefield, Monson, Montgomery, Northampton, Palmer, Pelham, Plainsfield, Russell, South Hadley, Southampton, Southwick, Springfield, Tolland, Wales, Ware, West Springfield, Westfield, Westhampton, Wilbraham, Williamsburg, Worthington

Appendix 2: MassHousing Local Housing Rehabilitation Agencies (LRAs)

The following agencies administer MassHousing mortgage and repair loan programs as local rehabilitation agencies. The table indicates the MassHousing programs each agency offers: P&R refers to Purchase and Rehab Loans, HILP refers to Home Improvement Loan Program, Lead refers to the Get the Lead Out program, HC refers to Homebuyer Counseling.

Area	Local Rehabilitation Agency (LRA)	Contact	P&R	HILP	Lead	HC
Adams	Adams CDC	413-743-8317	X	X	X	
Amesbury	*Amesbury Housing Rehab. Office	978-388-8110		X	X	
Athol	Miller's River CDC	978-249-9295		X		
Attleboro	Community Development for Attleboro	508-226-5116	X	X	X	
Avon	*Self Help, Inc.	508-588-0447		X	X	
Barnstable	Cape Cod Commission	508-362-3828		X	X	
Beverly	Beverly Community Development	978-921-6000			X	
City of Boston						
Boston	Department of Neighborhood Development	617-635-0375	X	X	X	
Boston	Ecumenical Social Action Committee, Inc.	617-524-4820		X	X	
Boston	Homebuyer's Initiative	617-436-6868				X
Boston	Boston Home Center	617-635-4663				X
Boston	Mass. Affordable Housing Alliance	617-265-8995				X
Boston	Metropolitan Boston Housing Partnership	617-859-0400 x362	X			X
Boston	South Boston Betterment Trust	617-268-5181				X
Boston	Statewide Homebuyers Group	617-436-6362				X
Boston	Vietaid, Inc.	617-822-3717				X
Greater Boston Neighborhoods						
Allston /Brighton	Allston Brighton CDC	617-787-3874				X
Jamaica Plain	City Life - Vida Urbana	617-524-3541				X
Codman Square	Codman Square NDC	617-825-4224	X			
Dorchester Bay	Dorchester Bay EDC	617-825-4200	X		X	
East Boston	Neighborhood of Affordable Housing (NOAH)	617-567-5882 x219	X			X
Fenway	Fenway CDC	617-267-4637				X
Jamaica Plain	Jamaica Plain NDC	617-522-2424				X
Jamaica Plain	Urban Edge	617-541-2568			X	X
Lower Roxbury	Madison Park Development Corporation	617-445-1061				X
Roxbury	Nuestra Comunidad	617-427-3599				X
Roxbury	Urban Edge	617-541-2568			X	X
Brockton	Brockton Community Corporation	508-559-6162			X	X
Brockton	Brockton Redevelopment Authority	508-587-6085			X	
Brockton	Zawadi Cultural Service Center	508-580-0856				X
Brookline	Brookline Rehab. Office	617-730-2090	X	X	X	
Burlington	Burlington Veterans Service	781-270-1959		X		
Cambridge	City of Cambridge	617-349-4600	X			X
Cambridge	Homeowners' Rehab	617-868-4858	X	X	X	
Cambridge	Just-A-Start	617-494-0444	X	X	X	

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Appendix 2: continued

MassHousing Local Housing Rehabilitation Agencies (LRAs)

Area	Local Rehabilitation Agency (LRA)	Contact	P&R	HILP	Lead	HC
Chelsea	Chelsea Planning and Development	617-889-8233		X	X	
Chelsea	Chelsea Restoration Corporation	617-889-2277				X
Chicopee	Chicopee Community Development	413-594-4711 x283	X			X
Danvers	Danvers Housing Assistance Trust	978-777-0001				X
Dedham	Dedham Selectmen's Office	781-326-5770		X	X	
Dedham	Southwest Affordable Housing	781-321-3543			X	
Fall River	*Fall River Affordable Housing Corporation	508-677-2220	X	X	X	X
Fitchburg	*Montachusett Regional Planning Commission	978-345-7376	X			
Fitchburg	Twin Cities CDC	978-342-9561	X			X
Framingham	South Middlesex Opportunity Council	508-620-4852				X
Framingham	Town of Framingham	508-620-4852	X	X	X	
Gloucester	Action, Inc.	978-283-7874		X	X	
Gloucester	Gloucester Community Development	978-281-9782		X		
Great Barrington	*Construct, Inc.	413-528-1985	X			
Haverhill	Haverhill CDC	978-374-2348		X	X	
Hingham	Hingham Council on Aging	781-741-1458		X		
Hull	Town of Hull Community Development	781-925-3595			X	
Hyannis	*Hyannis Housing Assistance Corporation	508-771-5400			X	X
Kingston	*South Shore Housing Development Corporation	781-422-4200	X	X	X	X
Lawrence	Planning and Development	978-794-5891 x129		X	X	
Lowell	Community Teamwork, Inc.	978-459-0551			X	X
Lowell	Lowell Planning & Development	978-970-4258	X		X	
Lowell	Merrimack Valley Housing Partnership	978-459-8490				X
Lynn	Lynn Housing Authority	781-477-2800 x133				X
Malden	*Malden Redevelopment Authority	781-324-5720	X	X	X	
Marlborough	Marlborough Community Development	508-460-3715	X	X	X	
Melrose	Office of Planning & Community Development	781-665-5490	X			
Methuen	Town of Methuen	978-975-7766	X	X	X	
Milford	Milford Town Hall	508-634-2328	X	X	X	
New Bedford	Office of Housing & Neighborhood Dev.	508-979-1500	X	X	X	X
Newburyport	Town of Newburyport CDBG	978-465-4465			X	
Newton	Newton Housing Rehab Fund	617-552-7140	X	X	X	
North Adams	North Adams CDC	413-662-3025	X	X	X	
North Adams	North County CDC	413-664-6369			X	
Northampton	Valley CDC	413-586-5855				X
Palmer	Palmer Community Development	413-283-2614	X	X	X	
Peabody	Peabody Community Development	978-532-3000 x329		X	X	X
Pittsfield	*Pittsfield/Berkshire Housing Development	413-499-1630 x141		X	X	X
Pittsfield	Pittsfield Redevelopment Authority	413-499-9366	X			
Plymouth	*Plymouth Redevelopment Authority	508-830-4115	X	X	X	X
Quincy	Quincy Community Action Program	617-479-8181 x115	X	X	X	X
Quincy	Quincy Housing Rehab.	617-376-1055	X	X	X	
Revere	City of Revere	617-286-8187	X	X	X	
Salem	Salem Harbor CDC	508-745-8071				X
Salem	Salem Planning & Community Development	978-745-9595 x311	X	X	X	

Appendix 2: continued

MassHousing Local Housing Rehabilitation Agencies (LRAs)

Area	Local Rehabilitation Agency (LRA)	Contact	P&R	HILP	Lead	HC
Salisbury	*Salisbury Assisted Living Center	978-463-9809	X	X		
Saugus	Saugus Community Development	781-231-4142			X	
Somerville	Office of Housing & Community Development	617-625-6600 x2560	X	X	X	X
Southbridge	Southbridge Community Development	508-764-5402		X	X	
Springfield	H.A.P.	413-785-1251 x515	X	X	X	X
Springfield	Neighborhood Housing Services (N.H.S.)	413-739-4737				X
Springfield	Office of Housing	413-787-6500	X	X	X	X
Stoneham	Stoneham Community Service Network	781-438-5981		X	X	X
Taunton	Taunton Planning & Comm. Dev. – Pro-Home	508-821-1030	X	X	X	X
Turners Falls	*Franklin County Regional Housing Authority	413-863-9781	X	X	X	X
Waltham	Watch CDC	781-891-6689				X
Ware	Ware Community Development	413-967-7136		X		
Wareham	Wareham CDC	508-291-3170	X		X	
Watertown	Community Development and Planning	781-972-6417		X	X	
Watertown	Watertown Community Housing	781-926-8090				X
Webster	Webster Community Development	508-949-3835			X	
West Springfield	Pioneer Valley CDC	413-781-6045		X	X	
West Springfield	West Springfield CDC	413-263-3045	X			
Weymouth	Town of Weymouth	781-335-2000 x330	X	X	X	X
Winchendon	*Rural Housing Improvement	978-297-5300	X	X	X	X
Worcester	Central Mass Housing Alliance	508-791-7265				X
Worcester	Oak Hill CDC	508-754-2858		X	X	
Worcester	Office of Planning and Community Development	508-799-1400	X	X	X	
Worcester	Worcester Community Housing Resources	508-799-0322				X

* Agencies serving communities in addition to the one listed.

** H.A.P. (Hampden Hampshire Housing Partnership) serves many communities including: Agawam, Amherst, Belchertown, Blanford, Brimfield, Chester, Chesterfield, Cummington, Easthampton, East Longmeadow, Goshen, Granby, Granville, Hadley, Hampden, Hatfield, Holland, Holyoke, Huntington, Longmeadow, Ludlow, Middlefield, Monson, Montgomery, Northampton, Palmer, Pelham, Plainsfield, Russell, South Hadley, Southampton, Southwick, Springfield, Tolland, Wales, Ware, West Springfield, Westfield, Westhampton, Wilbraham, Williamsburg, Worthington.

Appendix 3:

HUD Income Limits and FHA /Fannie Mae / Freddie Mac Conforming Loan Limits

HUD FY 2002 AREA MEDIAN INCOME LIMITS

code	METRO AREAS	50% OF MEDIAN INCOME				80% OF MEDIAN INCOME				100% OF MEDIAN INCOME*	
		Household Size (Number of people)				Household Size (Number of people)				For all Household Sizes	
		One	Two	Three	Four	One	Two	Three	Four		
1	Barnstable -Yarmouth	19,800	22,600	25,450	28,250	31,650	36,150	40,700	45,200	56,5002	*Unlike HUD's Area Median Income Chart, the incomes on this chart reflect median income for a median-sized household (for example, take all households regardless of size, count to the middle of their incomes).
2	Boston	25,950	29,700	33,400	37,100	40,800	46,650	52,500	58,300	74,2003	
3	Brockton	22,250	25,400	28,600	31,750	35,550	40,650	45,700	50,800	63,5004	
4	Fitchburg-Leominster	21,300	24,350	27,400	30,450	34,100	39,000	43,850	48,700	60,9005	
5	Lawrence	23,600	26,950	30,350	33,700	37,750	43,150	48,550	53,900	67,4006	
6	Lowell	26,300	30,100	33,850	37,600	38,100	43,500	48,950	54,400	75,2007	
7	New Bedford	18,250	20,850	23,450	26,050	29,200	33,350	37,500	41,700	47,5008	
8	Pittsfield	18,250	20,850	23,450	26,050	29,200	33,350	37,500	41,700	50,4009	
9	Fall River	19,650	22,500	25,300	28,100	31,450	35,950	40,450	44,950	54,10010	
10	Springfield	18,250	20,850	23,450	26,050	29,200	33,350	37,500	41,700	50,70011	
11	Worcester	20,450	23,350	26,300	29,200	32,700	37,400	42,050	46,700	58,400	
NON-METRO AREAS											
12	Barnstable County	19,900	22,70	25,550	28,400	31,800	36,35	40,900	45,450	56,80013	
13	Berkshire County	18,250	20,820	23,450	26,050	29,200	33,350	37,500	41,700	47,00014	
14	Dukes County	20,600	23,550	26,500	29,450	33,000	37,700	42,400	47,100	58,90015	
15	Franklin County	18,250	20,820	23,450	26,050	29,200	33,350	37,500	41,700	48,40016	
16	Hampden County	19,450	22,250	25,000	27,800	31,150	35,600	40,050	44,500	55,60017	
17	Hampshire County	19,050	21,750	24,500	27,200	30,450	34,800	39,150	43,500	54,40018	
18	Nantucket County	28,200	32,250	36,250	40,300	45,150	51,600	58,050	64,500	68,50019	
19	Worcester County	18,250	20,850	23,450	26,050	29,200	33,350	37,500	41,700	52,000	

FHA 203 (b) MAXIMUM MORTGAGE LIMITS FOR MASSACHUSETTS (as of January 2002)

County	One-family	Two-family	Three-family	Four-family
Barnstable-Yarmouth (MSA)	\$209,950	\$236,470	\$287,300	\$331,500
Berkshire (MSA)	\$180,500	\$203,300	\$247,000	\$285,000
Bristol (MSA)	\$261,609	\$334,863	\$404,724	\$502,990
Dukes	\$144,336	\$184,752	\$223,296	\$277,512
Essex (MSA)	\$261,609	\$334,863	\$404,724	\$502,990
Franklin	\$152,363	\$184,752	\$223,296	\$277,512
Hampden (MSA)	\$170,362	\$194,850	\$235,550	\$292,800
Hampshire (MSA)	\$170,362	\$194,850	\$235,550	\$292,800
Middlesex (MSA)	\$261,609	\$334,863	\$404,724	\$502,990
Nantucket	\$144,336	\$184,752	\$223,296	\$277,512
Norfolk (MSA)	\$261,609	\$334,863	\$404,724	\$502,990
Plymouth (MSA)	\$261,609	\$334,863	\$404,724	\$502,990
Suffolk (MSA)	\$261,609	\$334,863	\$404,724	\$502,990
Worcester (MSA)	\$261,609	\$334,863	\$404,724	\$502,990

Metropolitan Statistical Area (MSA)

Appendix 5 shows which metro or non-metro area communities are located in using the number code in first column above.

Calculating HUD Income Limits for other household sizes:

(1) take the dollar amount for a household of four; (2) multiply by 1.08 to get the income limit for a household of five, 1.16 to get the income limit for a household of six, 1.24 to get the income limit for a household of seven; 1.32 to get the income limit for a household of eight; (3) then round your result to the nearest \$50; (4) or visit HUD's web site, www.huduser.org/datasets/il/fmr02/hud02ma.pdf to access the full data file.

FANNIE MAE AND FREDDIE MAC CONFORMING LOAN LIMITS (as of January 2002)

First Mortgages:

Single-family	Two-family
\$300,700	\$384,900

Three-family	Four-family
\$465,200	\$578,150

Second Mortgages: \$150,350

Appendix 4:
MassHousing Income Limits & Purchase Price Limits By Market Area
(as of January 2002)

(as of January 2002)

Market Area	MAXIMUM INCOME		MAXIMUM HOME PRICE						MassHousing Community Code
	By Household Size		New Construction		Existing Properties				
	1 to 2 People	3+ People	One- Family	Two- Family	One- Family	Two- Family	Three- Family	Four- Family	
Metro Barnstable-Yarmouth	\$62,600	\$71,900	\$230,800	**	\$221,000	\$248,000	\$301,200	\$350,200	A
Greater Boston <i>Boston, Cambridge, Lynn, Chelsea, Everett, Somerville</i>	\$77,000	\$87,500	\$256,000	\$288,200	\$256,000	\$288,200	\$348,900	\$405,700	B*
<i>All other communities</i>	\$70,000	\$80,500	\$256,000	\$288,200	\$256,000	\$288,200	\$348,900	\$405,700	B
Brockton Area	\$62,600	\$71,900	\$215,700	**	\$153,200	\$172,500	\$208,800	\$242,800	C
Fitchburg-Leominster	\$62,600	\$71,900	\$185,700	**	\$117,900	\$132,000	\$160,600	\$186,800	E
Lawrence Market Area <i>Lawrence</i>	\$70,500	\$80,100	\$237,600	\$267,500	\$213,400	\$240,200	\$290,800	\$338,200	F*
<i>All other communities</i>	\$64,100	\$73,700	\$237,600	\$267,500	\$213,400	\$240,200	\$290,800	\$338,200	F
Lowell Area	\$70,200	\$80,700	\$264,400	**	\$174,000	\$195,900	\$237,100	\$275,700	G
New Bedford Area	\$62,600	\$71,900	\$189,700	**	\$141,500	\$159,300	\$192,800	\$224,200	H
Metro Pittsfield	\$62,600	\$71,900	\$95,900	**	\$119,300	\$134,300	\$162,600	\$189,000	I
Fall River Market Area <i>Fall River</i>	\$68,800	\$78,200	\$206,400	\$232,400	\$136,500	\$153,600	\$186,000	\$216,300	D*
<i>All other communities</i>	\$62,600	\$71,900	\$206,400	\$232,400	\$136,500	\$153,600	\$186,000	\$216,300	D
Metro Springfield	\$62,600	\$71,900	\$171,200	**	\$116,000	\$130,600	\$158,100	\$183,800	J
Metro Worcester	\$62,600	\$71,900	\$220,700	**	\$152,500	\$171,700	\$207,800	\$241,700	K
Non-Metro Barnstable County	\$62,600	\$71,900	\$230,800	**	\$221,000	\$248,800	\$301,200	\$350,200	L
Non-Metro Berkshire County	\$62,600	\$71,900	\$201,600	\$227,000	\$162,100	\$182,500	\$220,900	\$256,900	M
North Adams	\$68,800	\$78,200	\$201,600	\$227,000	\$162,100	\$182,500	\$220,900	\$256,900	M*
Non-Metro Franklin County	\$62,600	\$71,900	\$151,900	**	\$110,600	\$124,500	\$150,700	\$175,300	N
Non-Metro Hampden County	\$62,600	\$71,900	\$177,800	**	\$109,300	\$123,000	\$148,900	\$173,200	O
Non-Metro Hampshire County	\$62,600	\$71,900	\$207,000	**	\$142,000	\$159,800	\$193,500	\$225,000	P
Non-Metro Worcester County	\$62,600	\$71,900	\$137,000	**	\$104,100	\$117,200	\$141,800	\$164,900	Q

*Differentiates communities for Appendix 5.

**Financing not available for new two-family homes in these areas

See Appendix 5 for information on which communities are in each MassHousing market area (using Community Codes A-Q above). See www.masshousing.com for more information.

Appendix 5:

Applicable HUD Income Limits and MassHousing Income and Acquisition Cost Limits by Community

The following chart shows codes for the HUD regions and MassHousing market areas for each community. By looking up the HUD region code for a community (listed below), one can use Appendix 3 to determine which HUD region a community is in and thus which income limits apply. Similarly, by looking up the MassHousing code for a community, one can use Appendix 4 to determine which MassHousing market area a community is in and which MassHousing income limits and acquisition cost price limits apply.

City	HUD Code	MHFA Code	City	HUD Code	MHFA Code	City	HUD Code	MHFA Code
Abington	3	C	Brookline	2	B	Egremont	13	L
Acton	2	B	Buckland	15	N	Erving	15	N
Acushnet	7	H	Burlington	2	B	Essex	2	B
Adams	8	I	Cambridge	2	B*	Everett	2	B*
Agawam	10	J	Canton	2	B	Fairhaven	7	H
Alford	13	M	Carlisle	2	B	Fall River	9	D*
Amesbury	2	B	Carver	2	B	Falmouth	12	L
Amherst	10	J	Charlemont	15	N	Fitchburg	4	E
Andover	5	F	Charlton	11	K	Florida	13	M
Arlington	2	B	Chatham	1	A	Foxborough	2	B
Ashburnham	4	E	Chelmsford	6	G	Framingham	2	B
Ashby	4	E	Chelsea	2	B*	Franklin	2	B
Ashfield	15	N	Cheshire	8	I	Freetown	7	H
Ashland	2	B	Chester	16	O	Gardner	4	E
Athol	19	Q	Chesterfield	17	P	Gay Head	14	L
Attleboro	9	D	Chicopee	10	J	Georgetown	5	F
Auburn	11	K	Chilmark	14	L	Gill	15	N
Avon	3	C	Clarksburg	13	M	Gloucester	2	B
Ayer	2	B	Clinton	11	K	Goshen	17	P
Barnstable	1	A	Cohasset	2	B	Gosnold	14	L
Barre	11	K	Colrain	15	N	Grafton	11	K
Becket	13	M	Concord	2	B	Granby	10	J
Bedford	2	B	Conway	15	N	Granville	16	O
Belchertown	10	J	Cummington	17	P	Great Barrington	13	M
Bellingham	2	B	Dalton	8	I	Greenfield	15	N
Belmont	2	B	Danvers	2	B	Groton	6	G
Berkley	2	B	Dartmouth	7	H	Groveland	5	F
Berlin	2	B	Dedham	2	B	Hadley	10	J
Bernardston	15	N	Deerfield	15	N	Halifax	3	C
Beverly	2	B	Dennis	1	A	Hamilton	2	B
Billerica	6	G	Dighton	2	B	Hampden	10	J
Blackstone	2	B	Douglas	11	K	Hancock	13	M
Blandford	16	O	Dover	2	B	Hanover	2	B
Bolton	2	B	Dracut	6	G	Hanson	3	C
Boston	2	B*	Dudley	11	K	Hardwick	19	Q
Bourne	12	L	Dunstable	6	G	Harvard	2	B
Boxborough	2	B	Duxbury	2	B	Harwich	1	A
Boxford	5	F	East Bridgewater	3	C	Hatfield	10	J
Boylston	11	K	East Brookfield	11	K	Haverhill	5	F
Brewster	1	A	East Longmeadow	10	J	Hawley	15	N
Bridgewater	3	C	Eastham	1	A	Heath	15	N
Brimfield	16	O	Easthampton	10	J	Hingham	2	B
Brockton	3	C	Easton	3	C			
Brookfield	11	K	Edgartown	14	L			

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City	HUD Code	MHFA Code	City	HUD Code	MHFA Code	City	HUD Code	MHFA Code
Hinsdale	8	I	Millis	2	B	Provincetown	12	L
Holbrook	2	B	Millville	2	B	Quincy	2	B
Holde	11	K	Milton	2	B	Randolph	2	B
Holland	11	K	Monroe	15	N	Raynham	3	C
Holliston	2	B	Monson	10	J	Reading	2	B
Holyoke	10	J	Montague	15	N	Rehoboth	9	D
Hopedale	2	B	Monterey	13	M	Revere	2	B
Hopkinton	2	B	Montgomery	10	J	Richmond	8	I
Hubbardston	19	Q	Mount Washington	13	M	Rochester	7	H
Hudson	2	B	Nahant	2	B	Rockland	2	B
Hull	2	B	Nantucket	18	L	Rockport	2	B
Huntington	10	J	Natick	2	B	Rowe	15	N
Ipswich	2	B	Needham	2	B	Rowley	2	B
Kingston	2	B	New Ashford	13	M	Royalston	19	Q
Lakeville	3	C	New Bedford	7	H	Russell	10	J
Lancaster	2	B	New Braintree	19	Q	Rutland	11	K
Lanesborough	8	I	New Marlborough	13	M	Salem	2	B
Lawrence	5	F*	New Salem	15	N	Salisbury	2	B
Lee	8	I	Newbury	2	B	Sandisfield	13	M
Leicester	11	K	Newburyport	2	B	Sandwich	1	A
Lenox	8	I	Newton	2	B	Saugus	2	B
Leominster	4	E	Norfolk	2	B	Savoy	13	M
Leverett	15	N	North Adams	13	M*	Scituate	2	B
Lexington	2	B	North Andover	5	F	Seekonk	9	D
Leyden	15	N	North Attleborough	9	D	Sharon	2	B
Lincoln	2	B	North Brookfield	11	K	Sheffield	13	M
Littleton	2	B	North Reading	2	B	Shelburne	15	N
Longmeadow	10	J	Northampton	10	J	Sherborn	2	B
Lowell	6	G	Northborough	11	K	Shirley	2	B
Ludlow	10	J	Northbridge	11	K	Shrewsbury	11	K
Lunenburg	4	E	Northfield	15	N	Shutesbury	15	N
Lynn	2	B*	Norton	2	B	Somerset	9	D
Lynnfield	2	B	Norwell	2	B	Somerville	2	B*
Malden	2	B	Norwood	2	B	South Hadley	10	J
Manchester	2	B	Oak Bluffs	14	L	Southampton	10	J
Mansfield	2	B	Oakham	11	K	Southborough	2	B
Marblehead	2	B	Orange	15	N	Southbridge	11	K
Marion	7	H	Orleans	1	A	Southwick	10	J
Marlborough	2	B	Otis	13	M	Spencer	11	K
Marshfield	2	B	Oxford	11	K	Springfield	10	J
Mashpee	1	A	Palmer	10	J	Sterling	11	K
Mattapoisett	7	H	Paxton	11	K	Stockbridge	8	I
Maynard	2	B	Peabody	2	B	Stoneham	2	B
Medfield	2	B	Pelham	17	P	Stoughton	2	B
Medford	2	B	Pembroke	2	B	Stow	2	B
Medway	2	B	Pepperell	6	G	Sturbridge	11	K
Melrose	2	B	Peru	13	M	Sudbury	2	B
Mendon	2	B	Petersham	19	Q	Sunderland	10	J
Merrimac	5	F	Phillipston	19	Q	Sutton	11	K
Methuen	5	F	Pittsfield	8	I	Swampscott	2	B
Middleborough	3	C	Plainfield	17	P	Swansea	9	D
Middlefield	17	P	Plainville	2	B	Taunton	2	B
Middleton	2	B	Plymouth	2	B	Templeton	4	E
Milford	2	B	Plympton	3	C	Tewksbury	6	G
Millbury	11	K	Princeton	11	K			

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City	HUD Code	MHFA Code
Tisbury	14	L
Tolland	16	O
Topsfield	2	B
Townsend	2	B
Truro	12	L
Tyngsborough	6	G
Tyringham	13	M
Upton	2	B
Uxbridge	11	K
Wakefield	2	B
Wales	16	O
Walpole	2	B
Waltham	2	B
Ware	10	J
Wareham	2	B
Warren	19	Q
Warwick	15	N
Washington	13	M
Watertown	2	B
Wayland	2	B
Webster	11	K
Wellesley	2	B
Wellfleet	12	L
Wendell	15	N
Wenham	2	B
West Boylston	11	K
West Bridgewater	3	C
West Brookfield	11	K
West Newbury	5	F
West Springfield	10	J
West Stockbridge	13	M
West Tisbury	14	L
Westborough	11	K
Westfield	10	J
Westford	6	G
Westhampton	17	P
Westminster	4	E
Weston	2	B
Westport	9	D
Westwood	2	B
Weymouth	2	B
Whately	15	N
Whitman	3	C
Wilbraham	10	J
Williamsburg	10	J
Williamstown	13	M
Wilmington	2	B
Winchendon	4	E
Winchester	2	B
Windsor	13	M
Winthrop	2	B
Woburn	2	B
Worcester	11	K
Worthington	17	F
Wrentham	2	B
Yarmouth	1	A

Appendix 6: Communities Eligible for Federal Rural Housing Services (RHS) Programs

RHS grants, loans and guarantees can be used for properties in 234 Massachusetts communities:

Acton	Dighton	Hopkinton	Northfield	Stockbridge
Acushnet	Douglas	Hubbardston	Norton	Stow
Adams	Dudley (part of)	Huntington	Oak Bluffs	Sturbridge
Afford	Dunstable	Ipswich	Oakham	Sudbury
Ashburnham	Duxbury	Kingston	Orange	Sunderland
Ashby	East Bridgewater	Lakeville	Orleans	Sutton
Ashfield	East Brookfield	Lancaster	Otis	Swansea
Ashland	Eastham	Lanesborough	Oxford	Taunton (part of)
Athol	Easton	Lee	Palmer	Templeton
Ayer	Edgartown	Leicester	Paxton	Tisbury
Barnstable	Egremont	Lenox	Pelham	Tolland
Barre	Erving	Leverett	Pembroke	Topsfield
Becket	Essex	Leyden	Pepperell	Townsend
Belchertown	Falmouth	Littleton	Peru	Truro
Bellingham	Florida	Lunenburg	Petersham	Tyngsborough
Berkley	Foxborough	Manchester	Phillipston	Tyringham
Berlin	Franklin	Mansfield	Plainfield	Upton
Bernardston	Freetown	Marion	Plainville	Uxbridge
Blackstone	Gardner	Mashpee	Plymouth	Wales
Blandford	Gay Head	Mattapoisett	Plympton	Ware
Bolton	Georgetown	Maynard	Princeton	Wareham
Bourne	Gill	Medfield	Provincetown	Warren
Boxborough	Goshen	Medway	Raynham	Warwick
Boxford	Gosnold	Mendon	Rehoboth	Washington
Boylston	Grafton (part of)	Merrimac	Richmond	Wellfleet
Brewster	Granby	Middleborough	Rochester	Wendell
Bridgewater	Granville	Middlefield	Rockport	Wenham
Brimfield	Great Barrington	Middleton	Rowe	West Boylston
Brookfield	Greenfield	Millis	Rowley	West Bridgewater
Buckland	Groton	Millville	Royalston	West Brookfield
Carlisle	Groveland	Monroe	Russell	West Newbury
Carver	Hadley	Monson	Rutland	West Stockbridge
Charlemont	Halifax	Montague	Salisbury	West Tisbury
Charlton	Hamilton	Monterey	Sandisfield	Westford
Chathwn	Hampden	Montgomery	Sandwich	Westhampton
Cheshire	Hancock	Mount Washington	Savoy	Westminster
Chester	Hanson	Nantucket	Sheffield	Westport
Chesterfield	Hardwick	New Ashford	Shelburne	Whately
Chilmark	Harvard	New Braintree	Sherborn	Wilbraham
Clarksburg	Harwich	New Marlborough	Shirley	Williamsburg
Colrain	Hatfield	New Salem	Shutesbury	Williamstown
Conway	Hawley	Newbury	Southampton	Winchendon
Cummington	Heath	Norfolk	Southborough	Windsor
Dalton	Hinsdale	North Adams	Southbridge	Worthington
Dartmouth	Holden	North Brookfield	Southwick	Wrentham
Deerfield	Holland	Northborough	Spencer	Yarmouth
Dennis	Holliston	Northbridge	Sterling	

Appendix 7:

Cities and Towns which Receive CDBG and/or HOME Funds from HUD

Figures below show the total FY '02 block grant amount for each community or consortium.

Note: Not all communities that receive HOME funds are listed in this table. Some communities receive HOME grants as a consortium (indicated by a "C"), in which case the grant amount is listed in the column for the lead community (responsible for grant administration) in the consortium. That amount is shared with the other communities in the consortium. The 49 communities which receive funds as members of a HOME consortium are listed on the following page.

Community	CDBG	HOME		HOME Consortium:	Member Communities
				Fitchburg Consortium:	Fitchburg, Leominster
Arlington	\$1,545,000	\$0			
Attleboro	\$575,000	\$0		Holyoke Consortium:	Chicopee, Holyoke, Westfield
Barnstable	\$408,000	\$0			
Boston	\$24,914,000	\$7,515,000		Newton Consortium:	Belmont, Brookline, Newton, Waltham, Watertown
Brockton	\$1,853,000	\$935,000			
Brookline	\$1,872,000	\$0		Quincy Consortium:	Quincy, Weymouth
Cambridge	\$3,856,000	\$879,000			
Chicopee	\$1,529,000	\$0		Barnstable Consortium:	Barnstable County, including: Barnstable, Bourne, Brewster, Chatham, Dennis, Eastham, Falmouth, Harwich, Mashpee, Orleans, Provincetown, Sandwich, Truro, Wellfleet, Yarmouth
Fall River	\$3,639,000	\$1,200,000			
Fitchburg	\$1,436,000	\$630,000	C		
Framingham	\$635,000	\$0			
Gloucester	\$902,000	\$0			
Haverhill	\$1,267,000	\$0			
Holyoke	\$1,754,000	\$1,420,000	C	Malden/North Suburban:	Arlington, Chelsea, Everett, Malden, Medford, Melrose, Revere
Lawrence	\$2,335,000	\$1,375,000			
Leominster	\$543,000	\$0			
Lowell	\$2,874,000	\$1,253,000		Peabody/North Shore:	Amesbury, Beverly, Boxford, Danvers, Essex, Georgetown, Gloucester, Haverhill, Ipswich, Lynnfield, Manchester, Marblehead, Merrimac, Methuen, Middleton, Newburyport, North Andover, North Reading, Peabody, Rockport, Rowley, Salem, Salisbury, Swampscott, Wenham, West Newbury, Wilmington
Lynn	\$3,207,000	\$1,019,000			
Malden	\$1,780,000	\$2,387,000	C		
Medford	\$2,186,000	\$0			
New Bedford	\$3,811,000	\$1,378,000			
Newton	\$2,663,000	\$1,264,000	C		
Northampton	\$912,000	\$0			
Pittsfield	\$1,877,000	\$0			
Plymouth	\$449,000	\$0			
Quincy	\$2,505,000	\$765,000	C		
Salem	\$1,397,000	\$0			
Somerville	\$3,634,000	\$836,000			
Springfield	\$5,195,000	\$2,085,000			
Taunton	\$999,000	\$0			
Waltham	\$1,261,000	\$0			
Westfield	\$515,000	\$0			
Weymouth	\$917,000	\$0			
Worcester	\$5,833,000	\$1,769,000			
Yarmouth	\$206,000	\$0			
Other HOME Consortia:					
Barnstable County	\$0	\$783,000	C		
Peabody	\$0	\$2,210,000	C		
Statewide Grant (DHCD)	\$38,763,000	\$15,162,000			
TOTAL	\$130,047,000	\$44,865,000			



CITIZENS' HOUSING & PLANNING ASSOCIATION

18 Tremont Street
Suite 401
Boston, MA 02108

TEL/TTY
(617) 742.0820

TOLL-FREE
(800) 466-3111

FAX
(617) 742.3953

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